

MINUTES OF EVIDENCE

TAKEN BEFORE THE

ROYAL COMMISSION ON LOCAL TAXATION,

WITH

INDEX AND APPENDIX.

VOLUME V.—IRELAND.

(57th to 63rd Days.)

Presented to both Houses of Parliament by Command of Her Majesty.



LONDON:

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1900.

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1900.

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LIST OF WITNESSES EXAMINED DURING 1899 ON THE SYSTEM UNDER WHICH TAXATION IS RAISED FOR LOCAL PURPOSES IN IRELAND, WITH DESCRIPTION.

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* Representing the Irish Railway Companies.

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MINUTES OF EVIDENCE

TAKEN BEFORE THE

ROYAL COMMISSION

ON

LOCAL TAXATION.

VOL. V.

FIFTY-SEVENTH DAY.

Wednesday, 18th October 1899.

At St. Stephen's House, Victoria Embankment, S.W.

PRESENT—

THE RIGHT HON. THE LORD SALFOUR OF BURLINGHAM, *Chairman*.

The Right Hon. the EARL OF CAWDER.

The Right Hon. Sir J. T. HILGREN.

The Right Hon. C. B. STUART-WORTLEY, Q.C.,

M.P.

Sir E. W. HAMILTON, K.C.B.

Sir GEORGE MURRAY, K.C.B.

C. N. DAVIES, Esq., Q.B.

T. H. RILSTON, Esq., C.B.

E. O. SMITH, Esq.

The Right Hon. J. L. WRIGHT, M.P.

ARTHUR WILSON FOX, Esq., *Secretary*.

T. JACQUES DAVIES, Esq., *Assistant Secretary*.

Sir HENRY A. ROBINSON, K.C.B., recalled and further examined.*

23,384 (*Chairman*.) I understand that you are Vice-President of the Local Government Board in Ireland?—Yes.

23,385. You have come here by our invitation, to give us such information on behalf of that Board as we may require?—Yes.

23,386. Perhaps I ought to say on behalf of my colleagues that we are very sorry to have put pressure upon you to undertake this extra work, at a time when we know you must be very fully occupied, but, as you are aware, we have already postponed more than once, and for a good many months, our Irish inquiry, and you will take it from me that, having regard to the general interests of the inquiry committed to the Commission, it was absolutely impossible for us to make any longer delay. In fact, I suppose the unavoidable delay which has already occurred—for which we do not in any way blame you—will, to some extent, delay the completion of our work?—Quite so; I am only very sorry for the reasons you have mentioned that our returns may not, perhaps, have been supplied, so promptly and fully as they would have been if we had not been working all the time under very great pressure.

23,387. I hold in my hand the memorandum which you have been good enough to supply to me, and

which we shall print, and therefore I need not take you over it piece by piece, because being printed it will appear as a connected narrative; but I and my colleagues will ask you the questions which occur to us upon it. I want first to clear up one matter which is not a main part of it, but which is a very important part of it, namely, that dealing with the question of valuation. I do not think I quite understand the position of matters as set forth in your memorandum. If you will turn to paragraph 37 you will see that you state that "The Local Government Act provides for a general re-valuation of rateable hereditaments in a county borough on the application of the council who are to pay a portion of the costs not exceeding one-half?"—Yes.

23,388. But in paragraph 33 you say: "From the foregoing statement it will be seen that the Local Government Act, while making many changes in the structure of local government, has left unimpaired, except in one instance, the basis on which the valuation of the country for purposes of taxation has been made." Will you kindly reconcile those two statements?—As to the law in relation to valuation there is really nothing to be added to the statement contained in my original memorandum on the subject. The only changes now are that there is a general re-valuation of

Sir H. A. Robinson, K.C.B.

14 Oct. '99

Proceedings of the Local Government Act.

* For previous examination, see Vol. I. of Minutes of Evidence, C. 844-1899, C. 845-1899, C. 846-1899.

Mr H. A. Robinson, A.C.B.
18 Oct '99

the boroughs provided for under the Local Government Act as stated in this memorandum. I think, perhaps, that any question of valuation should be asked of Mr. Barton, the Commissioner of Valuation, as I understand he is about to value the borough of Belfast under the new powers given under the Local Government Act, and I am not quite conversant with those powers.

23,397. Of course as to the details I may do so, but you will take it from me that valuation is such an important and integral part of the whole question of local taxation that it is very important, before we examine any witnesses upon it, that we should have clearly in our mind what is the exact position at the time?—Yes, I see that.

Griffith's valuation is not now a suitable basis for taxation.

23,398. On that one point which is mentioned in paragraph 80 of your memorandum, Griffith's valuation remains the basis at this moment upon which local rates will be imposed?—Yes.

23,399. We have already had before us, and I need not take you upon it therefore, an account of Griffith's valuation, so we know what it is, but you probably will not object to expressing an opinion upon this? You would agree, would you not, that whether good or bad at the time made, into which we need not enter, it is not at the present time an efficient or fair basis upon which to impose local taxation?—Yes, I think that is a general impression.

23,400. That it is out of date in short?—Yes, it is out of date.

23,401. I suppose it would be also the view of the Local Government Board, would it not, that on any better affording valuation there are two great drawbacks to be regarded, namely, the interest of the local authority which has to impose the rate and the interest of the Imperial Government which has to lay on the tax?—Yes.

23,402. Would you go so far as to say that it is extremely desirable if it can be changed with fairness to all interests that both rates and taxes should as far as possible be laid on the same valuation?—Yes, I think I should say that.

23,403. Would you like to express an opinion, or would you prefer that I should postpone the question till Mr. Barton comes on to what local authority should be the one in Ireland which is charged with looking after the local interests in the making of the valuation?—All those questions are so thoroughly understood by Mr. Barton, and as they are rather outside our function, I think that I should prefer you would ask that of Mr. Barton. I should not like to express a very decided opinion on the point without giving it mature consideration.

23,404. I understand that one of the most important changes brought in by the Local Government Act has been a provision that in most of the urban districts the incidence of what is known as the road tax will be changed?—Yes.

23,405. Up to this time expenses of that nature have been levied at an equal poundage rate on lands and buildings, but now there are provisions for a differential rate which will differentiate in favour of lands, railways, and canals?—Heretofore the expenses had been paid out of the county cess which is an equal rate on lands and buildings, but for the future those rates get control over their own roads will pay for all road expenditure from the towns improvement rate, one-fourth only of which is paid on lands.

23,406. How is that new road rate to be raised?—It is to be raised by the urban authority in the same way that it has always heretofore raised that rate, except that it is to be on the occupier altogether.

23,407. What were the considerations which had weight in determining that change of policy?—To a great extent I think it was to simplify matters by having all the rates upon the occupier in the first instance. Do you refer to this placing of them altogether upon the occupier?

23,408. I see that my question had a double meaning, but takes that meaning first of placing them upon the occupier, and I will take the other meaning afterwards?—The occupier was given the control of the expenditure, and therefore the rates were placed altogether upon the occupier. That is really the main principle.

23,409. That touches the larger question also, does it not, of all the changes of rates which were made consequent upon the agricultural rate grant?—Yes.

23,410. I understand that; but was there anything done to compensate the occupier for the change which is now made in this particular instance of the road rate?—Do you mean for the loss owing to the new rates being placed upon him?

23,411. Yes?—There was; in the case of existing tenants he could deduct from his rent when he paid it the amount of the additional rate; in the case of leases also.

23,412. So that still existing tenants expire so far as that rate is concerned you are in a state of transition?—Yes.

23,413. Afterwards when new bargains are made it is to be presumed that the new bargains will be made under the altered condition of the tenant having to pay a charge whether it increases or decreases, which, up to the time of the passing of the Act, was laid on other shoulders?—Yes, that is quite the point.

23,414. The other side of the question which I intended to ask was as to the considerations which guided the Irish Government in allowing the special class of property, lands, railways, and canals to be assessed only at one-fourth of their valuation as far as the road tax is concerned, your memorandum says: "The change is, however, in accordance with precedent, as where urban sanitary authorities have hitherto exercised grand jury powers under section 206 of the Public Health Act, 1878, the charges were by the Act confirming the transfer of these powers imposed upon the town rate." I should like to ask for some little further explanation of that?—The urban sanitary authorities in Ireland could by Provisional Order of the Local Government Board obtain separation from the grand jury and the control over their own roads. Where that was done the expense of the maintenance of their roads became charged upon the towns improvement rate and ceased to be charged upon the county cess. Under the towns improvement rate one-fourth only is chargeable upon land, whereas under the county cess, which they had hitherto paid, it was an equal charge. It was following that precedent. There are a great number of sanitary authorities now which before the passing of the Act were road authorities, and there are about 40 or thereabouts sanitary authorities that were not road authorities, but they became road authorities by the passing of the Local Government Act, and we simply continued the old system of charging the road expenditure.

23,415. Before the Act was passed then, I understand, lands, railways, and canals did only pay on one-fourth of their valuation for roads?—Where the urban sanitary authority had control of the roads that was so.

23,416. Is it only within the urban sanitary areas that this condition had effect then?—Quite so.

23,417. Is it only within those areas that it has effect at the present time?—Yes.

23,418. (Mr. John Hillier.) Was the fact that the law with respect to lands, railways, and canals paying a fourth is in force in urban districts in England the reason for altering the law in Ireland, so as to make the English law general?—Yes. I think it was the view of the Government in adopting the English Act, that they should, as far as possible, apply the principles of the English Act.

23,419. Does the Local Government Board undertake the control of all these new authorities, both urban and rural?—The control of the Local Government Board is restricted to certain points. Speaking generally, I should say that the Local Government Board exercises very little control in regard to the general administration; but there are certain matters subject to their sanction, for instance, the new authorities cannot spend more than a fixed sum upon road maintenance without the consent of the Local Government Board; the Local Government Board is also a court of appeal in certain matters where there are differences existing between the county and the district council.

23,420. What power have you with respect to loans?—We have to sanction loans.

23,421. All the loans made by any authority?—Yes.

23,422. Have you a body of officials for the purpose of inquiring into the question of loans?—Yes, we have a staff of engineers.

Mr J. Robinson, A.C.B.
18 Oct '99

Local authorities: Powers conferred by Local Government Board under the Local Government Act

23,413. You had a large staff previously, probably?—Yes; we had engineers and inspectors.

23,414. What is the general term of repayment with respect to the different loans?—The term of repayment varies in accordance with the duration of the work; the Treasury lay down certain terms.

23,415. What is the longest term?—Sixty years is the longest term of repayment.

23,416. Would that be for land?—Only for land I should say.

23,417. Not for buildings?—No, I think not; it is about 40 years for buildings.

23,418. Have you had many applications for loans at the present time under the new Act?—We have not yet had many applications for loans from the county councils, because the purposes for which they can borrow are limited, but we have had the usual number of applications from the rural district councils who have taken the place of the old rural sanitary authorities; also we have had a great many applications from towns for loans for housing the working classes.

23,419. These of course were in operation before, were they not?—Yes.

23,420. That is for labourers' dwellings?—Yes; outside the towns, and for artisans' dwellings in the towns.

23,421. With respect to the valuation, I suppose that Griffith's valuation is very unequal over every part of Ireland?—Yes. There is a great want of uniformity in the different provinces.

23,422. Does the Government now base its taxation upon Griffith's valuation, or have they any means of their own of remedying the inequality?—In regard to the income tax do you mean.

23,423. Yes, I refer to the income tax?—That is paid on the valuation.

23,424. It is on Griffith's valuation?—Yes. I believe under certain circumstances it can be paid on the rent; but Mr. Burton can tell you more specifically about that.

23,425. (Mr. Burton.) Is it only in urban districts that roads, railways, and canals pay on one-fourth for public health expenditure?—Yes.

23,426. In what proportion do they pay for expenditure under the Public Health Acts in rural districts?—They pay the whole as an equal rate.

23,427. What is the reason of that distinction?—Because in the rural districts there are very few buildings; it is nearly all land there, and the charge was added to the existing poor rate.

23,428. Of course it would come to very much the same thing if there were no other property except agricultural land?—Yes, quite so.

23,429. But in any case in which there was other property, do you see any reason why that distinction should hold good?—They probably followed whatever principle was the guiding principle in England. I am not quite prepared to express any opinion as to the reason of the distinction, beyond that it was convenient to affix the existing town rate in urban districts, and the poor rate in rural districts.

23,430. You are aware, of course, that in England no such distinction is drawn as regards public health expenditure?—I understood that there was that distinction.

23,431. (Mr. Smith.) Would you mind telling me what is included in what is called the road tax in an urban district in Ireland?—It is the towns improvement rate.

23,432. It is similar then to the general district rate?—Yes; it is the towns improvement rate for the salaries of officers and municipal administration.

23,433. May I take it that it is synonymous with the general district rate?—Yes.

23,434. (Mr. Dallas.) Have you any distinction in Ireland between main roads and ordinary roads?—Yes. One-half in the case of main roads is charged to the county at large, and the remaining half to the district in which the main road runs. The county council may declare what shall be main roads, and there is an appeal to the Local Government Board in the event of any district council dissenting.

23,435. Does that include the main roads in urban districts?—Yes, they might declare a road in an urban district to be a main road in the sense of the Act.

23,436. And then they would pay half the expenses?—Yes.

23,437. Does the county authority do the road itself, or does the urban district do it?—In the urban district the council may arrange with the county council as to which will take charge of a main road. The urban district do all the roads which are not main roads, and the county would do the main roads if there was not an agreement to the contrary with the urban council; in nearly every case the district council undertake the roads themselves.

23,438. Is the arrangement with regard to the agricultural grant that you set out in your memorandum a permanent arrangement, or is it, as in England, confined to a short period?—It is a permanent arrangement.

23,439. Finally?—Yes.

23,440. The effect of it, I understand, has been practically, at present, at any rate, to reduce the rates on agricultural land by one-half?—It will have that effect. For the first year, of course, it will not reduce them quite so much, as the cost of the elections, and the various expenses of bringing the Act into operation will rather increase it this year.

23,441. You have practically continued in a different form your existing grants as to the salaries of medical officers, schoolmasters, schoolmistresses, sanitary officers, lunatics in asylums, and so forth?—Yes.

23,442. You give a fixed sum?—Yes, a fixed sum instead of the half.

23,443. That also, I presume, is a permanent arrangement?—Yes.

23,444. In the event of the discontinuance of the agricultural grant in this country, would it be possible to discontinue this arrangement of the agricultural grant in Ireland?—I think it would be very difficult to carry that out without entirely disorganising the whole machinery.

23,445. The whole machinery of the Local Government Act?—Yes.

23,446. In the new Act considered to work equitably in Ireland?—Yes, so far as the practical work is concerned it has done very well indeed. Of course, the new councils are rather strange to it at first, but they have done their work extremely so far as road work is concerned, and the preparation of the rate books and everything of that nature.

23,447. If this agricultural grant was discontinued in Ireland, what would you recommend to be done?—I do not think they could very well discontinue it in Ireland, because the occupier would then be paying the whole of the rates and getting nothing back. The only thing I think you could do if you discontinued the grant is that perhaps you might go back to something like the original rating system again. But that is a question I should like to think over a great deal before I answered it.

23,448. If you did that, you would have to alter the whole of your local government arrangements under the Act with regard to the owners?—Certainly. I do not like to contemplate its being discontinued.

23,449. You provide an elaborate scheme of adjustment by the Local Government Act "to prevent hardship being caused either to the occupier by reason of the terms of his existing contract, or to the landlord by reason of his not possessing any control over the expenditure"?—Yes.

23,450. What is, speaking generally, the way in which that scheme is framed?—The scheme is that during existing tenancies the tenant who has been in the habit of paying no poor rate deducts from his rent one-half of the poor rate in the standard year, and the tenant who has been in the habit of paying half the poor rate now pays the whole poor rate, which the agricultural grant diminishes by about one-half. The same with regard to county rates. It is rather a complicated system, but it works very satisfactorily. Section 54 describes the procedure.

23,451. This scheme of adjustment applies to the alterations that have been made in the incidence of the road tax in urban districts?—Yes.

Sir H. A. Roberts, K.C.B.

18 Oct. '99

Agricultural grant in Ireland a permanent arrangement.

See H. A. Roberts, K.C.B.
18 Oct. '99

23,452. Where the occupier of the house pays more owing to the alteration in the incidence of the tax, does that fall upon the owner?—In the case where a certain rate within a municipal boundary was charged one-half on owner and one-half on occupier the occupier could deduct half from the owner.

Lanette asylum and auxiliary asylums. Amount of grants and cost of maintenance. Question of administration.

23,453. On the other hand the man who gets the benefit of the change is the incidence during an existing tenancy is allowed to take the benefit, I suppose?—Yes, by deduction.

23,454. (*Mr. George Murray.*) What is an auxiliary lunatic asylum?—None have yet been established, but it is contemplated that some of the workhouses which are no longer required might be utilized for the reception of chronic harmless cases that do not require curative treatment, and they might be maintained there at a lesser cost than they are in the larger asylums.

23,455. But they are still proper lunatics?—Yes, the only difference would be that paupers transferred to those auxiliary lunatic asylums would be maintained at a lower rate and would get a lesser grant; they would only get 2s. per head capitation grant instead of 4s.

23,456. And so much of that would come out of the grant for the maintenance of pauper lunatics, their officers, and their salaries under the old arrangement?—It would come out of the local taxation fund now.

23,457. The new charge?—Yes, the new charge would.

23,458. But that reduces pro tanto, does it not, the old charge for the maintenance of pauper lunatics?—Yes, it reduces what is chargeable to the county certainly.

23,459. It reduces it, in fact, to 2s. from whatever it was before?—That is what the grant would be towards the maintenance of the auxiliary lunatic asylums.

23,460. (*Chairman.*) There was one question I omitted to ask you which I think perhaps I ought to take your opinion on. I suppose that I am right, am I not, that the present management of pauper lunatics in lunatic asylums is under the local authorities in Ireland, with a contribution to the cost from the Government?—It is from the local taxation fund now. Hitherto it was voted by Parliament.

23,461. From Imperial funds, anyhow?—Yes.

23,462. There is a proportion of the expense which is borne locally, and another proportion which is provided for out of the Imperial funds?—Yes, that is so.

23,463. Can you give me any general description of it what proportion the expense is divided?—The Government grant is about 4s. per head per week, and I should say that the cost of the maintenance in the asylums, at present, is about 10s. to 12s. as well as I remember—about 10s. per head per week I should say.

23,464. I am expressing, of course, no opinion upon it, but some witnesses from England have suggested, and I understood from the memorandum which have been sent in, that some witnesses from Ireland intend to suggest that the charge for pauper lunatics and for asylums are charges which ought to be borne in larger proportion by the Imperial funds than is the case, and I have even gone so far as to suggest that the proceeds of the present scheme should be followed, and the whole management of these institutions taken over by a central authority. But I should like to know whether you have any opinion to express upon such a proposal as that?—I can see, perhaps, some reason for it. I suppose the people who advocate that view advocate it on the ground that lunacy has nothing to do with local taxes. I can see no other grounds for making it an Imperial charge, except that it is not from any cause connected with the locality, such as pauperism might be. I do not quite see why that particular form of insanity should specially be made an Imperial charge.

23,465. While granting that the lunacy is a thing that must be managed upon broad general lines, and that the Imperial authority has a right to have its views given effect to, to a very large extent, do you not think that there are considerations of importance, to be attached to the local interest and local control, and local supervision, which these living in the district, or, if intelligently expressed, as for the better management of these institutions?—I think it would not work very well if the entire cost of lunatics was charged to the local taxation fund, and the administration was entirely in the hands of the local authorities.

23,466. But of course the proposal which I indicated to you implies much more general management on the precedent of the present?—Of course, if the management was under some central authority, there would be less objection to it.

23,467. Do you or do you not think that such a proposal, if carried out, would lead to an effort being made on the part of the local authorities to push off on to the Imperial authority a good many people on lunatics, who are really not, in the strict sense of the term, lunatics, but who have either become imbecile through age or who are simply weak-minded, but who are not really, in the strict sense of the term, lunatics?—Yes, I am quite inclined to think that such a tendency.

23,468. Is there any point which we have omitted on which you would like to lay stress?—I think, if you are going to print this memorandum, that there is really nothing to add to it. I am very that I cannot give you any better idea of the general working of the Act after so short an experience of it, but so far as I can judge it has worked very satisfactorily, and the local authorities are doing their work well.

23,469. (*Mr. John Balfour.*) You have stated that the Local Government Act provides for a general re-valuation of the properties in county boroughs?—Yes, it does.

23,470. The county boroughs of course do not cover the whole of Ireland?—That is so.

23,471. There are only six of them I think?—Yes, six.

23,472. Does the Act provide in any way for the re-valuation of the other portions of Ireland?—No, but I think the existing general valuation Acts would enable a re-valuation to be carried out.

23,473. There is sufficient power in the old Acts which would enable it to be done?—Yes. The grand jury, with the consent of the Lord Lieutenant might, I think, at any time for their particular county have had a re-valuation; but I think there has been a difficulty about the cost.

23,474. Supposing there was to be a re-valuation of these county boroughs, would it not become a necessity to have a re-valuation of the other parts of Ireland?—They are an independent rating entity there.

23,475. Still if taxation and rating are both to be based upon the same valuation, would it not be unfair to the remainder of Ireland if they remained under the old system?—I think it would be much better that the system should apply to them generally.

23,476. Would you agree then that it seems to be a necessity to have further legislation on the subject?—I think so, and I think that is the general opinion.

23,477. (*Mr. Dalton.*) Have any applications yet been made for these re-valuations in county boroughs?—Yes, I think one application has been made by Belfast, there may be more.

The witness withdrew.

Mr. MURPHY O'BRIEN called and examined.

Mr. Murray O'Brien.

23,478. (*Chairman.*) We know of course that you are one of the Land Commissioners in Ireland, and that you have come here in response to an invitation sent you by the Commission on the suggestion of one of our members. May I ask whether your evidence is in any way the evidence of the Land Commission, or whether it is personal to yourself?—It is entirely personal; I have not consulted the Land Commission nor should I have done so without your instructions.

23,479. You have been good enough to prepare for us this memorandum* which I hold in my hand of which I think you have a copy before you, and also an additional memorandum* which deals specially with the question of valuation?—Yes. As the suggestion has been made that the Land Commission results should be taken as the basis of the new valuation, I wish to point out that, if a uniform system between the two

See H. A. Roberts, K.C.B.
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Valuation of borough properties of the Local Government Act. Necessary for the Local Government to have valuation throughout Ireland.

Mr. Murray O'Brien.

country is recommended by this Commission, that the Land Commission valuations are made on an entirely different basis than in England.

23,479. I will say to you what you heard me say to Mr. Robinson. We are very much obliged to you for the trouble you have taken, but we shall print your memorandum in our Appendix as a connected narrative, and therefore if I do not take you over everything that is contained in there, you will understand that they are not lost, but that they will be preserved in your own form, and that the questions we shall ask will be questions upon them?—Thank you.

23,480. First, to take you on the point which you were beginning to deal with a moment ago in answer to a question, we understand generally the circumstances under which Griffith's valuation was made, and we can easily understand that a valuation made in that way, and not kept up to date, must have contained many anomalies, and I think it is not perhaps going too far to say that it is not a satisfactory basis for taxation at the present time?—It has become so very much more, whereas then it was at first that it is now the cause of great injustice and inequality of taxation between different individuals in the same districts and between different localities.

23,481. And it could not be otherwise. It is no fault of the valuations, when made, that it does not prove adequate to modern needs?—Certainly not; a valuation could remain equal if not periodically stamped. That is particularly the case in Ireland, because there has been such a very large movement of population. The population has diminished by three or four millions since it was made, and a great deal of land has gone out of cultivation, while, of course, in the same period some land has been improved and doubled in value.

23,482. I understand your suggestion is not that any attempt should be made to amend Griffith's valuation and bring it up to modern requirements on the same lines and on the same principles as it was made, but that a change should be made—a large change, no doubt—and that letting value should be the basis in Ireland as well as in England?—Certainly. I think that the fair letting value of the property should be taken as the basis of taxation. Griffith's valuations was made entirely on a wrong principle, which, as I have pointed out, was condemned by Sir George Carnwell Lewis, who was looked upon as an authority in those times. I think that it is quite clear that a valuation, based upon the prices of agricultural produce, must be wrong, because the ability to pay rent does not depend upon prices, but upon profits.

23,483. Now I think it would be appropriate if you would make your comments upon the suggestion, so you were proceeding to do a minute ago, as to the valuation of the Land Commission being taken as a basis for a taxation valuation?—Of course my knowledge of the system of valuation in England is derived, to a small extent only, from observation, and the inquiries from leading rating commissioners and the inquiries of several Committees and Select Committees that have sat upon it. That comparison of the principles of valuation in England, and the practice of the Land Commission in Ireland? I drew up in consequence of Mr. Barton suggesting that the Land Commission valuations should be taken as the basis of a re-valuation of Ireland.

23,484. I daresay we could suggest some of them for ourselves, but what we would most like would be that you would state in your own language the objections which you feel, from your experience of the system, to such a suggestion as that?—In the first place, there might be a misapprehension between the judicial rents and the valuation. Since the Land Act of 1886 was passed the Land Commission have made two estimates of the fair letting value of the land, one being the fair letting value of the land as it stands, including all the improvements. To arrive at the fair judicial rent the annual value of the improvements that the tenant is able to prove that he has made are deducted, and, therefore, of course, where there are large improvements made by the tenant, the fair judicial rent would be less than the real letting value of the holding as it stands. I may say that my remarks refer to agricultural land only.

23,485. Of course clearly Mr. Barton's suggestion could only have reference to agricultural land, and therefore all the time we are talking only of agricultural land?—Yes, that is so.

23,486. You would say broadly that in a very large number of cases, what you denude as the judicial rent, is not the full letting value; and therefore if full letting value should be the test of the value upon which rates are to be taken, the judicial rent will not suffice for that purpose?—The judicial rent is not necessarily the full letting value. Since 1886 the Land Commission in all cases make, in the first instance, an estimate of the reasonable letting value of the holding as it stands, including all improvements; but under their practice it is not clear whether any deductions are made—such as I understand in arriving at the net value in England—for maintenance, for the varying taxation in different places, and for the removal of any part of the tenements that is liable to decay.

23,487. Would not the first of these estimates, which you mention as made by the Land Commission, namely, that of the full value, including the value of the improvements, form, at any rate to some extent, the basis for arriving at the proper letting value for rating purposes?—I do not see how it could be ignored because that letting value is made by a Government department, and it is an official valuation; but, I think, it should be corrected by taking into account, as I understand is done in England, the outgoings—in fact that a gross and a net value should be made as in England.

23,488. You talk of the gross and the net value, but they are more properly applicable to buildings than to land; but what you say does apply to some extent?—I apprehend that in England under the assessment system there is a deduction made even for land, though it may be a much smaller one.

23,489. The deduction, I believe, is five per cent?—Five per cent, I believe, is the usual one.

23,490. Now to take a little wider survey of valuation matters, and not confining your answers solely to agricultural land, but considering the valuation of all classes of improvements for rating purposes, could you give us shortly what you would propose, or do we have left all that you wish to say upon that in your additional memorandum?—The additional memorandum is merely an expression after reading the Report already made by the Commission, and a hope that they would see their way to recommend a uniform system for the two Kingdoms—for Ireland as well as for England. The suggestions made in your first Report seem to me extremely applicable and calculated to secure uniformity of valuation and equal taxation.

23,491. I do not conclude that method of doing it, and it has some difficulties, but at the same time a large and sweeping analogy of that kind between one country and another, the histories of which have been so different in matters of valuation, seems to me fraught with danger and perhaps misunderstanding; and I should like therefore to put to you a few questions to elicit what really are your proposals. I understand you will agree that there are two great interests to be considered; the interest of the Imperial authority and the interest of the local authorities which have to lay on the rates?—Certainly, and the interest of the ratepayers.

23,492. Which of these two authorities do you desire should take the initiative in fixing the valuation?—I think, for the purpose of the valuation of real property, that local knowledge is essential, and that that cannot be supplied by a central department of the Government.

23,493. To which of the Irish local authorities would you commit the control of the first stages of the valuation?—I have suggested that there should be, as you have reported in your first Report for England, one valuation, and one valuation authority for each county, and that under it there should be district committees appointed. A county is a very large area, and I think it would be essential, in order to arrive at the real value, that district committees as well as county committees should exist.

23,494. Would you give these local authorities, which over is ultimately fixed upon, the power to obtain, and pay reasonably for professional assistance in the discharge of their duty?—Certainly.

23,495. At what stage of the proceedings would you like to see the authority of the central government come in to make sure that the valuation is fairly done?—The present valuing authority is, of course, what we call the valuation office—the commissioner of valuation

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O'Brien.
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Valuation.
Uniformity;
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means of a
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in the First
Report of
the Com-
missioners.

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Merragh
O'Brien.
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—I think that he should have power to attend at the meetings of the valuation committee by himself or one of his officers, and that he should have a right of appeal in case he held that there was any undervaluation. Of course he would be there as representing the Imperial authority.

23,466. I am, perhaps, taking you too far afield, if as you will stop me at once, when I ask you whether you have become at all acquainted with the system of valuation which is carried on in Scotland?—Except from reading the books that have been published by Mr. Murray, who was examined before you, and his evidence, I have not, but I have read those.

23,467. Let me say this, the valuation in the majority of the counties in Scotland and in many of the burghs is actually carried on by an officer of the Inland Revenue who is appointed for that purpose by the county council; do you think that such a system as that could be applied to the circumstances of Ireland, and do you think it would have any advantages?—I have suggested that if the county authority chose to ask the Commissioner of Valuation to make the valuation, he should be obliged to do so; but I think it is essential to have the opinion of the local people on the subject because I do not think, from my knowledge of public officers, that you can get people in an office like the valuation office, who can have what really a lifetime of experience is required to obtain, that is, a knowledge of local values.

23,468. Do not let me permit you to go away under any misapprehension. In Scotland the opinion of the local authority or of the local people is got at every stage; the officer of the Inland Revenue, though an officer of the central government, is employed by the local authority for this purpose and, as a local rates, reports to them and is responsible to them for what he does. My suggestion, I think, amounts very much to that, but I think also one very important matter to be considered is the education and effect upon the ratepayers of their being concerned in the assessment themselves.

23,469. Would you also agree that in addition to the interests which I suggested—the interest of the local authority which imposes the rates and the interest of the Imperial Government, which lays on taxes—there are the interests of each individual ratepayer, and his representatives to see that each individual owner or occupier of a hereditament is properly placed on the valuation roll at the proper full value of his hereditament?—Certainly, I should like to see every ratepayer interested in not only having his own occupation properly valued, but also that of his neighbours.

23,470. What, in your opinion, should be the first, I hardly like to use the term Court of Appeal, because it seems to me to imply too much, but to what tribunal would you in the first instance take the objection of the local ratepayer who thought he was being over-valued?—I think the local ratepayer should have power to appeal before the district committee and object; when I say "object" I mean to say to object informally. For that reason I have made a suggestion that any ratepayer or should be allowed to attend and object, or to object through any representative—through his neighbour, for instance. Of course the people who are most in danger of being over-valued are the poorest who cannot afford to object when it means employing professional help. I think that through Ireland there are numbers of poor people, beggars, people, who could not attend these committees, and that if they cannot attend themselves they should be empowered to employ one of their neighbours to object for them, and to discuss the matter in the first instance with the valuation committee.

23,471. There are, of course, two classes of objections; there is the first objection, and, I think, probably the most important one, that the individual should have full opportunity, without undue expense, to object to his own over-assessment?—Certainly.

23,472. That I understand to be the first of the points you put?—Yes, it is.

23,473. Do I understand you to suggest that each individual ratepayer should also have the right to object to the under-assessment of every one of his neighbours?—Yes, I think he should.

23,474. Do you not think that the representatives of the local authority in whose hands the valuation is put, under the guidance either of professional assistance, or of the Inland Revenue Valuer, would be a sufficient

general check against under-valuation?—I think, perhaps, it would lead to too many objections if every ratepayer was allowed to object to his neighbour's valuation as well as to his own, though I understood from reading some of these inquiries that rates have occasionally been quashed in England where the ratepayer could see that the rest of the parish was undervalued.

23,475. It would obviously, would it not, apply both ways, if everybody had a right to object to everybody else's undervaluation, and that was done to any large extent, it might put a very considerable amount of burden, and also of expense, upon even the poorest class of ratepayers?—It might make the whole thing unworkable I doubt.

23,476. I do not think I need take you upon any other question as to valuation, but there are one or two suggestions in the various paragraphs of your memorandum upon which I should like to have some further explanation from you. Take, for instance, paragraph 20, which deals in a general way with a variety of somewhat complex and intricate subjects. You begin by saying that "owners of ground rents should be directly rated"; would you describe to me the precise form of ground rent to which you allude in that paragraph?—What I mean by the owner of the ground rent is the original owner of the land. He may have let it at what is now an under-value, but I think that on whatever income he derives from a tenement let, he should contribute to the local rates.

23,477. Does that paragraph refer to land which has been built over?—Only to land that is built over, except so far as I have referred to the assumption of agricultural landowners generally from local rates in Ireland.

23,478. I will come to that in a moment, but I think I am right in saying, am I not, that those words at the beginning of paragraph 10 "Owners of ground rents" should be directly rated, are the only allusion in your memorandum to a question which has been very fully argued before us in regard to this side of the Channel, namely, as to what is known as building land?—Certainly, I meant to refer only to building land which is of course of very small importance in Ireland, as compared with its importance in England for you must remember that in the whole of Ireland there are not, I think, more than 15 towns of over 10,000 inhabitants.

23,479. I quite agree, but you will easily understand that in a complicated matter of this kind I am anxious to get the value of anybody's experience or any suggestion which can be made. Is the system of letting land for building in these towns, which are few, no doubt, as you mention, that which prevails in London or in other parts of England; could you give me some idea of the tenure?—Only in a very general way. I understood that the greater part of Belfast is built upon leases for ever and that the growing of houses for ever was considered to be the foundation of the prosperity of Belfast. In Dublin I think there are various tenures, and in other towns I fancy the tenures are varied too.

23,480. I do not differ from you in that. Our system in Scotland is of perpetual lease, as we call them, or at least for 99 years at some once and entitled proprietors. Take the instance which you gave just now. Do you wish to go into it further, do you suggest that a ground rent in Belfast which is of perpetual duration should now be directly rated?—I do. It is said I know that it would be unjust to rate these ground rents because, when the land was let, it was on the understanding that the occupier should pay all the rates and taxes; but the growth of local taxation had not been foreseen, and the expenditure of the local rates has very much improved the selling value of these ground rents as a rule.

23,481. You say it has improved the selling value?—Yes, it has.

23,482. I do not understand you to allege that it has improved, or ever could improve, the returns which the perpetual rent-charger gets from his property?—No; but I think that the mere fact that they are exempt from local rates makes them sell higher in the market—of course it does make them sell higher in the market than if they were not practically exempt from the local rates.

23,483. I will not, at the moment, go further into that. You go on in that paragraph 10 to say, "But

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Ground
rents
should
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assessed
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local
rates.

House of
building
land in
Dublin
and
Belfast.

Ground
rents in
one
perpetual
lease
should
be
assessed
to
local
rates.

Agreed
and
led

Agreed,
subjected
proceeds.

"as regards agricultural land this would be a reversal of the policy in the Local Government (Ireland) Act, 1898, which exempts agricultural rental from local taxation." The first question I should like to put to you on that is this: Is the expression "ground rent" applicable to agricultural land?—Is a degree of it. An Irish landlord is now simply the recipient of a rent and has very little control over the land.

23,514. Could we not, just for the purposes of our inquiry, get out of the expression, "ground rent," and describe the landlord's interest by some other term which will not confuse it with the ground rent of an urban holder?—Agricultural rentals are now exempted from taxation almost wholly.

23,515. Do you mean the judicial rent?—All agricultural land is not subject to having judicial rents fixed upon it; but the whole of the agricultural area of Ireland is now, so far as the owner's income is concerned, practically exempted from local rates.

23,516. That is so, and, of course, I should not like to go too widely into the considerations which have led to that, because we might get into matters of controversy which do not come under our reference. But is that not an integral part of the settlement which has been arrived at only so recently as last year?—Certainly. It has only just come into operation in Ireland—this is the first year.

23,517. Then I should like to know how far you are inclined to suggest to us that we ought to recommend the reversal of that?—I am not prepared to make any recommendation on the subject. I merely wish to draw the attention of the Commission to it, that there the principle is established as regards agricultural land, and in some cases there are ground rents of agricultural land where there is a higher interest over the immediate tenant.

23,518. Would you be inclined to go this length with me, that while it may not be a theoretically perfect system, it was perhaps the best out of many courses which could be adopted under the circumstances in which we were placed?—I think the agricultural grant in Ireland became a political necessity, after the agricultural grant was passed in England; the only difference is that in Ireland there is no limit of the term, and in England it is limited to 5 years.

23,519. That would point, would it not, to this, that the Act of last year makes a more permanent settlement in Ireland on that particular head than anything which exists on this side of St. George's Channel?—Certainly; so far as we know it is permanent, but I do not know that Acts of Parliament are just sometimes repealed and reversed. I think there is a difference between agricultural land and urban ground rents, inasmuch as the expenditure in urban districts does, I think, add very much to the value of the ground landlord's interest. Expenditure on sewerage and lighting, and the abolition of unhealthy areas, and so on, is quite a different class of expenditure from expenditure on the maintenance of roads and the poor in the country.

23,520. Do you put it to me that the expenditure in the agricultural districts in Ireland will increase the revenue of the landlord?—Certainly. I do not know what other expenditures there are except the poor rate and labourers' cottages, as a rule. I think that in any district that is well treated any improvement in that district is likely to add to the landlord's rental. Of course where the agricultural rental is exempted from taxation a landlord who had 20,000*l.* a year and from it, and now has 21,000*l.* a year, will sell that 21,000*l.* a year for more than he would have sold the 20,000*l.* a year. There is a large amount of land being sold in Ireland to tenants, and in that case he will get the benefit as a capitalised sum from the tenants, therefore it is a very substantial benefit to the landlord.

23,521. But so far as any future expenditure is concerned, the benefit of that will not, as I understand it, go to the landlord?—The benefit of any future expenditure?

23,522. Yes; I want to get at the point which you say is involved, usually, the "injustice of exempting" rentals of absentee proprietors from local taxes . . . "each exemption is calculated to make those persons who are the taxpayer." I want to understand really what is implied in that?—I think that, as a voter, if my neighbour did not contribute to the rates I should be very much inclined not to put him on the local council. Suppose there is a landlord in my district with 20,000*l.* a year, and he is only rated on the

house that he occupies, I think that he would not be so much interested in keeping down the expenditure as those who are paying on their full interest in the locality.

23,523. Is that not involved in the settlement which has taken place under the sanction of Parliament last year?—Certainly. I am only pointing out as the question arises how about the incidence of taxation, that I do not think that was a wise or good principle.

23,524. That may be, but this is what I want to get at from you, do I understand you to put it to us that this injustice is to be an increasing difficulty in the future?—No, I do not see that there is any increasing injustice to us.

23,525. I do not think I quite understand the first two lines of paragraph 12:—"Annual revision of Irish valuation very inefficient and incomplete,"—that, I understand—"Value of land cannot be revised"; what is the precise meaning of that?—The valuation of agricultural land under Griffith's valuation contained one column for the value of the land, and another column for the buildings. If a building tumbles down

23,526. I beg your pardon; this is a complaint of the existing system?—Certainly.

23,527. Which, if the suggestion which has been the subject of question and answer a few minutes ago were adopted, would be swept away?—Certainly.

23,528. Would you refer kindly to paragraph 15, have we not also dealt with that? If the suggestions which you have made were adopted there would be no occasion for that comment, would there?—That is what Mr. Barton's proposal to take as the taxable value the judicial fair rent, plus a per-centage on the sum paid for "tenant right" would not be just? Is that the point you refer to?

23,529. If you please, that is the end?—I think it would be an exceedingly unfair proposal, because as I say, the annual paid for tenant right often includes the stock, the growing crops, the implements, and the furniture on the farm. That is not rated in England, and it is not proposed to rate it. It is also very often included, what is called the heavy price, which I believe, is not taken in England, as an indication of the reasonable value.

23,530. I am far from saying that your comments are without foundation, but are we not in the case of the tenant's interest, under tenant right, very much in the same difficult position as we are in this country in valuing agricultural land, which is we will say in an owner's own hands; when a landlord does not let his land, but occupies it himself, we can only get at the letting value by analogy and by estimate?—Analogy and estimate I fancy are the ways that all valuations are made.

23,531. I do not understand that paragraph 15 means to imply that as occupier of Irish land should be rated only upon the judicial rent; he must be rated upon something more if it is to be a fair comparison with other hereditaments?—I think he should, but I should like to point out that those statistics of tenant right are very fallacious. Mr. Barton's suggestion is that he can ascertain the average of the prices paid in the districts. That, I think, is perfectly unworkable, because to arrive at that by any statistical inquiry you would have to note the events that do not occur as well as those that do occur, that is to say you would have to take into account the cases which are very numerous, of farms being put up and no bidder being found, the cases of no sales as well as the sales made at high prices. You would also have to take into account the sales made for a mere nominal sum. It is a common thing among the people who collect these statistics of tenant right to note only the striking cases of high sales, and to take no notice of farms sold for a song.

23,532. I think there is probably much foundation for that, but you would agree with me, would you not, that the reasonable value of Irish land is maintained in every case by something higher than a judicial rent?—I do not think so, because in many cases—when I say in many cases, perhaps I should say in some cases—there are no cases, perhaps on the land, or some which are credited to the tenant, because the tenant must be in a position to prove that he has made the improvement; therefore, though there may be fences and drains and so on, unless he proves that he has made them, no credit is

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M. O'Connell
O'Brien,
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Valuation.
Existing system un-
satisfactory.

Valuation of agricul-
tural land.
Date of judicial
rent and tenant
right does
not
What is a fair test of value.

Mr.
Merriman
O'Brien.
18 Oct. '09

given for them. So that in many cases, the judicial rent would be equivalent to the full letting value.

22,531. I put to you that question because I saw, if I may venture to say so, with great approval, the first two paragraphs of your additional memorandum, in which you "hope that the Commission will see their way" to make substantially similar recommendations for "assessment and rating in Ireland to those made in their last Report (p. 40), for England and Wales." They would tend to secure equality of taxation between "ratepayers and uniformity of principle between the two divisions of the United Kingdom; statistical and financial comparisons would be facilitated and made on a true basis." I suggest to you that the judicial rent of an occupation in Ireland would not afford a statistical and financial comparison with what an English occupier pays to his landlord?—I had not suggested that the judicial rent should be taken, because I think in many cases it is not the full letting value. I think the full letting value should be ascertained in the same way as in England. With reference to the high prices which are occasionally paid, I think that the principles that have been laid down by the Courts in England should apply in Ireland. I think it has been laid down in quite a recent case, indeed, *White against the Bradford Union*, that where a man paid a large price, it was for a public-house, for reasons personal to himself, so the judges said, that has nothing whatever to do with the market value. I have known a man pay 100*l.* an acre, or very nearly, for land which was rented at 1*l.* an acre, in a purely agricultural district; that should not be taken as having anything to do with the market value, nor would it lead to equality of taxation, for the landlord that farm you might find another farm let at 1*l.* an acre, which when put up for sale found no bidders. Some of those high prices are fancy prices, paid because it is a small plot of land adjoining a man's farm, or his homestead, or his home, and he must give something for it for his protection.

Revaluation
in
Ireland.
Reasons
why not
made.

22,534. I think there is a complaint that there has been no revaluation because to provision was made for the costs of it?—I think while there was power under the Valuation Act, 1852 (Griffith's valuation) to re-value Ireland at the request of a grand jury, or their paying half the cost, that never was put in force because, first the landlord party were opposed to it, because they thought it would raise their income tax; and next the tenants were opposed to it, because they thought that just as Griffith's valuation had been made an excuse for raising their rents, so a new valuation would be made a further excuse for raising their rents. You had all parties combined; I do not think it was a mere question of cost, because revaluations were proposed and bills were brought in by different Irish Secretaries to re-value Ireland, but the method proposed was always to add a percentage to the old valuation, which would have been, of course, an absurd proposal.

22,535. In other words it would intensify every error of the original valuation?—It would.

22,536. There will be a set of local authorities in Ireland now, that will have a distinct interest in keeping the valuation up to the mark, will there not?—I think they will have a distinct interest in keeping it up to the mark, but I imagine that owing to the ignorance which generally prevails, and I think has prevailed to a large extent in England among the assessment committees, people will think, "If my valuation is lower, my income will be lower." That has been a very common idea.

22,537. (Earl of Camford.) I am not sure I quite understand your view as to the question of ground rents, or the fixed charge that a landlord has upon land; what is it that the landlord has to sell in that case?—He has a rent to sell.

22,538. A fixed rent?—A fixed rent.

22,539. Did I gather from you, that you hold that the improvement of a locality, which is the improvement of roads and so forth around the district, would affect the value of that fixed rent which he has to sell?—I do, and I think you will see that the prices fetched and obtained for ground rents in the City of London, are far in excess of the prices given for ground rents obtained in, we will say, wild and less developed and less central localities.

22,540. Tell me what it is the person, who is buying, is paying for, if he buys a ground rent; he is only

buying surely a fixed charge at so many years' purchase?—Yes.

22,541. Why is that of more value in one district than in another?—I think it is just as a ground rent in London would be of more value than a ground rent in Balaugoy.

22,542. If the rent is equally secured in Balaugoy as it is in London, where does the difference come in?—It would not be so well secured. I say where you have peace and good government, and healthy surroundings, owing to a large municipal expenditure, it is quite a different thing from buying a head rent equally well secured as regards the value in Balaugoy or in Connought.

22,543. Then do we not get to this, that the only question you want to get at is whether the fixed rent is a secured rent or not—that is whether it is safe?—But I think it has become more secured in consequence of the expenditure in the locality.

22,544. But it is merely the question of the security of the actual fixed rent—either the good security or the bad security of it—that gives it a fluctuating value; is that so?—No. I think that where you have a fully secured ground rent, you will say in Connought or Donegal, that it will not sell as well as an equally well secured rent in any of the great towns where there has been a large expenditure of the ratepayers' money. If you come to the City of London, where there has been an enormous expenditure, that makes a great deal of difference. I think, too—it has been pointed out by a great many witnesses here—that there is a tendency for rates to stick on the first person that they are levied upon, and that this is a property which is practically—I do not say entirely, because I think the original rates probably were taken into account to some extent, when the letting was made if they were heavy at any rate—but that this is a property which is practically exempt from local taxation, and that it should be subjected to local taxation. I think the Royal Commission on the Housing of the Working Classes recommended that, and said that there could be no progress or reform in these matters until there was a readjustment of taxation, if I am not wrong, with reference to ground rents.

22,545. I will not press you further on that point, but there is one other question I should like to ask:—In getting at the true value of the farm, do you propose to eliminate altogether—I mean for local taxation purposes—the consideration of the tenant right and its value?—No, I do not. The tenant right value in Ireland consists largely of the improvements made by the tenant, which are supposed to be exempt from the judicial rent. When a tenant buys the occupation of a farm subject to a judicial rent, he has, over and above the judicial rent, the annual value of the improvements that were exempted in fixing the judicial rent; he also has in prospect the exemption when the second judicial rent comes to be fixed after 15 years—that is, he also has in prospect any completion of improvements that he may be likely to get in the course of that time.

22,546. But then to what extent do you propose to take into consideration the tenant right in fixing the value of the farm?—I propose to exclude the question of tenant right, because I do not see that it can be brought either fairly or accurately into consideration.

22,547. You do propose to eliminate it?—I propose to put it aside altogether and to rate each item on its full letting value or its value, as values are ascertained in England by analogy, and the experience of farms that are let. I think a professional valuer would take into account the tenant right that was paid or might be paid for a farm, but I do not think that that should be laid down as the basis, because, as I have tried to point out, it would lead to great inequalities, and it would lead to the taxation of the tenant's property in tillages, meadows, growing crops, stock, and improvements, which are often bought with the tenant right of the farm—that is, included in the price. Therefore, you should not take any record of the tenant right values obtained as the basis, unless you are going to tax tillages, meadows, growing crops, furniture, and stock.

22,548. But I thought you seemed to go even further than that, for you say in paragraph 15: "Tenant-right is a personal property, and should not be rated as realty."

Mr.
Merriman
O'Brien.
18 Oct. '09

Value
of
tenant
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Ireland.
The
full
letting
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Ground
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rates.
How
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Does that not mean the exclusion of it altogether from any consideration for local taxation?—I think that as a tenant right it should not be rated, but I think in paragraph C I stated that I thought that all real property should be rated at its full letting value, due deduction being made for all the outlay necessary for repairs, maintenance, and general upkeep.

23,543. But must you not decide at the outset whether your tenant right is personal property, or whether it has to come into your calculations even as any other?—A tenant might say, into the valuation of a farm for local taxation purposes?—In England there is such a thing as a tenant right which is rated for manures, growing crops, and so on—there is a different estate in different counties—but you do not rate that, nor has anyone ever proposed to rate it. So far as that element of tenant right exists in Ireland, it should not be rated, but I admit that any improvement of the land at any value in excess of the judicial rent of the land alone, as it stands, should be rated.

23,540. Then we really come to rather a modification of this last clause of paragraph 11, where you seem to put all tenant right down as personal property; I understand now that some parts of the tenant right you would think ought to be personal property; other parts of the tenant right might come into the consideration of a valuer in arriving at the true value of a farm for local taxation purposes?—My statement was entirely made in reference to Mr. Burton's proposal to take the value of tenant right sales in any district and to put a percentage upon them. It cannot be said that a large sum paid for the occupation of a farm bears any particular interest. It has been quite common in England with people who want a small bit of land adjoining their own to pay a sum for it for which they could get no return whatever, or a mere nominal one. In the same way, if a man buys a picture it is not worth as much a year to him. Every capital expenditure does not yield an annual income.

23,541. No, but because a man pays rather more than it is worth in the market, would the effect of that be to charge a charge into a personal charge instead of the assessing a charge on land? It does not change its incidence surely, does it?—It does not change its incidence.

23,542. I mean, because a man chooses to pay more rent for a farm than it is worth—because he chooses to pay more tenant right for a farm than it is worth in the market—that would not of necessity show that it ought to be a charge on personal estate instead of a local taxation charge?—A charge on the personal estate, of course, would only come in in the case of the death duties, and then any value in the shape of stock, furniture, or growing crops would be liable to Imperial taxation.

23,543. (Mr. George Murray.) Would it not be well in considering your proposal if we eliminate the question of tenant right altogether? All that you suggest is that the basis of valuation should be the full letting value of the land, never mind whose interests are involved in it?—Certainly, that is what I meant.

23,544. Therefore we need not consider the question of tenant right at all, which at all events is only one of the interests in land?—I do not think it ought to be considered, and I think it does not enter into the consideration of what is the full letting value. The full letting value is really the only circumstance which should be taken as the measure for taxation.

23,545. That full letting value of course includes all interests in the land from the head renter down to the occupier?—Certainly.

23,546. You do not propose, having arrived at that full letting value, to charge all rates on the occupier, but to charge a certain proportion of them on all superior interests?—As far as agricultural land goes of course the owner is practically exempt from taxation now and therefore there would be nothing to charge on the superior owner if the owner was what we call a middle man.

23,547. You say he is exempt, but of course if the full letting value of the land is to be taken as the basis, somebody or other will pay the rate?—Certainly, if you exempt one person you tax another, and so far as the landlords and owners of land in Ireland are exempted, the general body of taxpayers in England, as well as in Ireland, contribute to pay our rates.

23,548. Would it not be more correct to say that he is exempt from the direct payment of the rate?—He is

exempt, but, of course, as one of the public, he must contribute a little more to the Imperial revenue.

23,549. Does he not contribute in the reduction of the rent, which he gets from his inferior interests, that is, from the interests below him?—That is to say from the occupier?

23,550. Yes, or any people that there are between him and the occupier?—I do not see that he does; the tendency would be for him to get rather more from his tenant because the tenant is exempted from taxation as well as the landlord. The tenant is exempted to the extent of one-half the county rate, and the landlord to the extent of one-half the poor rate.

23,551. When you say that Griffith's valuation included the value of tenant right, what is the precise meaning of that?—I meant that Griffith's valuation included the value of all existing improvements on the land, houses, drains, and everything that the tenant has to supply in Ireland.

23,552. There was no tenant right in the legal sense in a great part of Ireland at the time of the valuation, was there?—Not in the legal sense, but it was common all over Ireland for occupying tenants to sell the interests in their farms, and if you look back as far as the Inquiry of the Devon Commission in 1845, there you will see that witnesses from all parts of Ireland say the practice is common. The Report of the Devon Commission, pointing out to the landlords that their position might be endangered by allowing these sales, led landlords to many cases to forbid tenant right, and tenant right then in some cases was forbidden; in other cases it was allowed or winked at, and no notice taken of it—if the landlord got his rent he did not care whether the tenant sold his farm or not.

23,553. How did Sir Richard Griffith arrive at the value of tenant right in a case like that?—He did not value the tenant right, but his valuation included all; it was supposed to be the annual value of the farm, as it stood, based on its productive value.

23,554. That is practically the full letting value in another form?—That is practically the full letting value. In the first place the Act laid down that the value was to be ascertained according to a scale of prices, but the scale of prices did not lay down a good many things that would be necessary to make that calculation. It laid down the price of articles of produce, but it did not lay down any price for labour, which would be a necessary part of the cost of cultivation. Griffith then issued instructions under that Act, in which he gave a kind of sample calculation giving the produce of a farm and the expenses, the balance being what he brought out as the net annual value of the holding. I would like to point out, as the question has arisen before the Commission, that, first, the land was valued according to the amount of produce it would produce, then to that was added the letting value of the buildings. That, I say, is the reverse of what has been laid down in your valuation system in England under the Agricultural Rates Act, where it is especially provided by the order that the land under buildings is not to be valued first as land and then as buildings. Now there is a calculation on page 25 of Griffith's Instructions showing the amount of produce from a dairy farm of six cows, and then the expenses, and that brings out the net annual value to be about 21. as more; then to that is added the buildings, although the buildings must have been contributory to the production which was the foundation of his calculation. Therefore I say that the addition of the buildings to the value of the land was a mistake. Many of these things had not been considered 40 years ago. Griffith was not a valuer by profession, and there was very little valuing in those days in Ireland, except for the purpose of adjusting or raising rates.

23,555. (Mr. Bates.) I think you say that although Griffith's valuation was supposed to be made with the full value, and on the principle you have explained to us, prices, and so on, he really followed the rate?—I do not see how the value could have made this calculation in all cases, and my impression is that to a large extent they inquired what was paid, and they took the average value in the district—but that is only what I think was done. We know perfectly well they were instructed to do so. We know perfectly well that the valuation made was such that the calculation suggested could not have been made in every case.

23,556. When you say Griffith's valuation included the value of the tenant right, you do not mean, do you, Valuation the value of the tenant right, you do not mean, do you, of agricultural

Griffith's valuation was based on the full letting value of the land, determined by prices of agricultural produce.

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 23,574. That it included so much of the tenant right as represented the stock, growing crops, implements, furniture, tillage, and so forth?—No, I do not think that. By "tenant right," of course we mean generally the interest the tenant has in his farm on account of the improvements made by himself.

23,575. Permanent improvements?—Yes, that is one element of tenant right; but in cases of farms sold, of course the buyer pays for everything there might be on the farm which is not removable, and very often for the stock as well.

23,576. You say you would ignore the tenant right in the valuation, and you also say you would ignore the judicial rent—you would not look at either of them in fixing the valuation, but you would determine the full letting value of the land?—I think that is what should be done, but I do not see how you can ignore the official valuation made by the Land Commission which sets out in the first instance, since 1896, the full letting value of the farm as it stands. What I say is that that full letting value of the farm as it stands is somewhat ambiguous because it does not do as I understand it the practice in England, what seems to me necessary to arrive at the payable value. It sets out neither the expenses of maintenance and repairs, nor the taxes paid. The same way of course from a mere trade per acre up to 25s. per acre, and unless those are set out, as judges, I believe, have decided over and over again in rating cases in England, that they should be set out, you cannot be sure that the valuation is properly arrived at. The valuation ought to be made so that it will seem to be fair, and so that people can understand it in addition to its being fair.

23,577. In fixing the judicial rents, do you consider that the existing valuation has been at all taken into account, or has it been ignored?—We have a large number of people engaged in fixing rents, and only some of them turn up on appeal. I think it would not be possible for me to say what each person who has had the fixing of a rent has done. I quoted for you the Fry Commission that inquired into the principles and practice of the valuation of land by the Land Commission of Ireland, who reported that there is neither a common understanding of the law nor anything approaching to uniformity of practice. A Report of the same effect was made by a Select Committee two or three years before that. Therefore, in the face of that, I am not prepared to say what has been done, because I do not know.

23,578. That Report would justify us in coming to the conclusion would it not, that we should not necessarily in all cases take the judicial rent into account in fixing the new valuation if we want to have a uniform valuation?—Certainly. I am in hopes that the Commission will report that the value of land should be ascertained on the same lines as you propose for England. I would like to see the principle uniform over the Kingdom. You have the Land Commission rents condemned as not being uniform, and of course we had a Commission before—the Cropper Commission—that inquired into the prices fixed earlier, and reported that the rents fixed in the early years of the Land Commission were too high; there are in process of reduction, and as those rents are variable every 15 years I do notice that you can adopt them unless you fix a period of re-valuation after 15 years too, for rating purposes.

23,579. In Griffith's valuation I should assume from your memorandum that the value of buildings was estimated as their structural cost, is that correct?—Griffith's instructions directed the surveyors to measure the buildings, and then to divide them into classes, so that to a large extent it was according to their size. I judge from my examination of buildings valued under Griffith's valuation that that was done; large and reasonable buildings are valued much higher than smaller and more suitable buildings which are really more valuable in many cases.

23,580. You speak of the separation of houses and buildings for the purposes of the agricultural grant in Ireland, how has that been done in Ireland?—Under Griffith's valuation land and buildings always were separated, and I think that was one of the arguments used in the House of Commons to show that it could be done in England, when a great many members who are acquainted with the valuation system said it could not be done because farm buildings are really part of a farm, and would be useless without the farm, and very often the land would be useless without the buildings.

23,581. Do you approve of the general principle of rating agricultural land at a half of other property?—Do you mean to say rating it at a half, as it does under the agricultural grant?

23,582. Yes?—That is to say, they only pay one-half the rates?

23,583. Yes?—I think it is a mistake. I think as far as possible for reasons of economy and good administration, that the revenue to be spent by the local authorities should be raised by them. I am entirely opposed to the system of subventions from the Imperial revenue; I think it leads to extravagance.

23,584. Leaving out for the moment, the question of subventions from the Imperial revenue, do you think you should have differential rating between agricultural land and buildings, or do you think you should have an even rate over every description of property?—I think in a farm certainly the land and the buildings are practically one tenement, and I do not think they can be truly separated; I think it was a mistake to separate them under Griffith's valuation system, and that, there, they were separated on the wrong principle; and I think under the English Agricultural Rates Act that it is an artificial division which does not exist. A farm including the buildings is one thing, and that which cannot be occupied separately, I think, cannot be valued separately.

23,585. Would you have any differential rating as between farms, then, and houses with no farms, or do you think you should have one even rate?—In Ireland, of course, there are not many houses in the country except farmhouses, and a few large residences. We have not the same problem there that you may have here of a vast number of villa houses. The rent paid by a tenant is not a test of his income and ability to pay taxation, nor is the occupation of a house by a man who may have a large income a test of his ability to pay taxation. The houses may contain as much value as the farm, and it may require as much police protection, and the man in the villa house may use the roads just as much as a farmer does.

23,586. In paragraph 7 I see you say that the levy of a rate is raised on land, railways, &c. at one-fourth of their structural value is most equitable?—I think it is. I will say that from my own experience, in the district in which I live there are a number of villas, of which I occupy one. I have 6 acres of land. I pay rates on one-fourth of its value. In such districts land is probably valued at a tenth or a twentieth of its value, and then on that under-estimate I pay one-fourth rate, I, and all the villa-borders around me. It is we who derive advantage from the lighting, the sewerage, and the urban expenditure much more than the people of the slums of that urban district.

23,587. Do you think that the railways should be rated at a fourth?—I think the railways should be rated on the same system. We have a railway unfortunately there that runs no dividend, and I think it ought not to be rated, except that so far as it occupies land and has withdrawn that land from the township, it should be rated up to the letting value of the adjoining land; but, otherwise, so far as earning an income is concerned, it earns no income.

23,588. You say in paragraph 13 you think that Mr. Borton's estimate of the cost of the re-valuation is insufficient; have you formed any estimate of your own as to the probable cost of the re-valuation?—I think it would be very difficult to form one, but I have formed an opinion as to what I think would be sufficient. Griffith estimated that he could re-value Ireland for a halfpenny an acre. The tenement valuation cost about 5s. an acre, and Mr. Borton says he could re-value it for 200,000, or 300,000, which would come to about 25s. an acre. One of the most expensive parts of the re-valuation would be the maps. The cost of preparing correct maps would be very large, but it would be most desirable to have, as soon as possible, for the purposes of the re-valuation of Ireland, a correct set of maps showing every tenement in the country; the present ones are very incorrect and have been so for years and years. I have been a large part of my official life going over land with the tenement, as shown on the Valuation Office maps, and I rarely find them right, because they are not revised. The reason they are not revised is that the compilers do not know how to get them revised. One reason they do not know is that the valuation certificates, which show the area of their farm, that were furnished to the local authorities up till lately did not separate land and

Mr. Murray O'Brien. — 18 Oct. '99 —

Griffith's valuation of land, railways, &c. at one-fourth of their structural value.

Griffith's valuation of land, railways, &c. at one-fourth of their structural value.

Valuation of land and buildings, separation of agricultural buildings should not be separated from the land for valuation purposes.

buildings, and the result was that if a building tumbled down they did not know whether it was separately valued or not. Then, no change is made unless notice is given first to the clerk of the union, and then transmitted to the valuation office, and then it may not be done for a year. The result of it all is that people do not call attention to it.

23,581. I suppose you would propose that after a revolution has been made the cost of the periodical re-valuation should fall upon the locality?—I think the periodical re-valuation should be made in that way, but I think considering the chaos that our assessment has been allowed to get into, the whole cost of the first re-valuation, and of the maps on which the re-valuation would be based, should be paid by the Imperial Government. The Valuation Office is a department of the central Government, and I do not say it is their fault, because they had neither the power nor the money to revise the valuation and keep it up to date, but it has not been done, and until it is put right I think the cost ought not to fall on the localities.

23,582. (Mr. Smith.) Just one question on the question of the ground rent; you gave us an illustration of a house in Belfast as a case of an owner of a ground rent who you thought should be directly rated, a proper valuation of a leasehold house in Belfast would include the interest of the owner of the ground rent, would it not?—Certainly; I think that the rates are paid on the whole thing, including the land rent, but they fall on the occupier.

23,583. Supposing your proposal was carried out, would you exempt the occupier *pro facto*?—To the extent of the ground rent.

23,584. To the extent of the tax upon the ground landlord; that is your proposal, is it?—Yes, I think it is fair that the owner of an income arising from land should pay rates directly on his interest.

23,585. And that the occupiers should be exempt to that extent?—To that extent, yes.

23,586. Otherwise you would tax the ground rent twice over?—I am not in favour of doing that.

23,587. (Mr. Wilson.) In the rental of agricultural land in Ireland affected by the amount of rates on the property?—I think it ought to be, but of course by rental of land you may mean the rental that is fixed by the Land Commission, or the rents that are fixed where landlords let to tenants without the intervention of the Land Commission.

23,588. I should like to take both cases?—As I have tried to point out in these memoranda, though I am a member of the Land Commission, I do not know to what extent the taxation affecting each separate farm is taken into account, because on the valuation forms it is not set out, and it is not ascertained. Therefore, how far it is done, mentally, by valuers, is a matter that it is impossible to know. Where land is let, or the rent arranged, without the intervention of the Land Commission, I think that if the taxes are very heavy the tenant would take them into account in fixing his rent; but if they were not out of the way, probably he would not think of them at all.

23,589. In the second case, supposing that some farms which have been expressed as realty, and that there is a large increase in the rates levied in Ireland, would you say that that large increase, which is purely hypothetical, so far as my question is concerned, would have the effect of reducing the amount of rent which the tenant would be able to pay?—Certainly; I think that the taxes, or the rates, as well as the rent, must come out of the assessed value.

23,590. Then, would you not say that the owners, although they may not now, under the new system, directly pay rates, are, as a matter of fact, affected by the amount of the rates?—You asked me whether a tenant would be able to pay as much. If he is paying up to his utmost ability and living very poorly, of course the point comes when he can live no more poorly, and he must starve; but if the rates become so heavy that they are equal to a rent, of course he cannot pay rent as well. But I anticipate a large increase in the taxes of Ireland, and so far as the rural occupiers are concerned, there has been a very large increase, not only in the actual amount, but in the amount of produce from their farms which is required to pay it. Where a farm of better would pay a man's taxes 25 years ago, he must now give two thirds of his farm. Therefore the taxes have become far heavier than they appear from the mere expression of them in pounds, shillings, and pence.

23,591. But the taxes of course are now greater, in proportion to the actual produce of the farm, on account of the lower value of the produce?—Certainly.

23,592. I rather gather that you favour the old plan of dividing the rates between the owner and occupier, rather on account of the political and social effects of the arrangement than for any other reason?—I think, as a matter of justice, for both political and social reasons, that the people who pay rates, will be interested in their proper expenditure; I also think as a matter of justice if a man derives an income of a thousand a year from a locality, he should contribute directly to the taxation, and it should not be got from him through his tenant because he does not then feel it, and it is doubtful whether it falls upon him.

23,593. In paragraph 16 of your memorandum you say: "It is most desirable that the local councils should be the assessing authority for their districts."—What local council had you in mind in writing that?—When I wrote that I had not read your Report, where you recommended an authority for each county, which I hope you will apply to Ireland, I had in my mind then the county councils and the urban district councils.

23,594. Which do you think would be preferable—the maintenance of the services of the district councils, or of committees appointed by the county councils?—I think that the county councils should be the final authority, as you have recommended, but that there should be district committees to make the assessment for the approval of the county council, because you get more so local opinion as to value in that way.

23,595. One question as to the cost of re-valuation in Ireland; I think you suggest that the cost of re-valuation should be borne by the Government?—Yes.

23,596. Do you think that it would be fair that the whole cost should be borne by the Government?—I do, simply for this reason, that the chaos of assessment is the work, or arises from the neglect, of the central Government which has had charge of it—only for that reason.

23,597. But the re-valuation would be a very great benefit to the different local authorities, would it not?—I do not see what advantage it would be whatever. The only advantage in the way of extra money would be, if the valuation is increased the Imperial revenue would get a larger income, the local authorities would get no more—it would be differently distributed between different individuals, but as to the amount raised, they are supposed to raise as little as possible.

23,598. But surely those individuals and the local authorities themselves are very much concerned in an equitable apportionment of the burdens?—I think that in the localities the people who are overtaxed because some people are undertaxed are interested in a re-valuation, but the people who are undertaxed are interested in leaving things as they are.

23,599. (Sir Edward Hamilton.) I did not hear at what you put the total estimate of the cost when answering Mr. Dalton?—I did not mention any figure.

23,600. Do I gather that it would be something like 400,000 or 500,000?—I think, if it was done for 500,000, it would be as cheap as it could be done. Griffith's valuation was made, as I pointed out, by people who were paid 2s. 6d. for a day, and you will not get professional valuers to work for that sum now, nor could you have got proper men for 2s. 6d. in the time of Griffith.

23,601. Assuming that proper men were employed, how long do you think it would take to make a re-valuation throughout the country?—I am afraid I could not give you an opinion right off.

23,602. Do you know how many years Griffith's valuation took?—It took an immense amount of time altogether, did it not?—It is said to have begun in 1852 and to have ended in 1860. It would all depend upon the number of surveyors employed. I think that, as a rule, in the first place, you would have to employ surveyors to map out the townships, and, next, valuers to value them, unless you had men who were both surveyors and valuers. I do not suppose a man, as a rule, would do in agricultural districts, taking one day with another, more than 500 acres a day; so that one might come at some idea, but I could not give you a solid figure out of my head.

23,603. If it was undertaken by the local authorities it would go on simultaneously in different parts of the country?—It would go on simultaneously, but it would be a longish business, because there would be appeals.

Mr. Mervyn O'Brien.
18 Oct. '99
Division of rates between owner and occupier advocated

Valuation authorities in Ireland recommended as First Report of Commission should be referred to Ireland.

Re-valuation of Ireland. Estimated cost of Cost of should be borne by the Government.

Mr.
Merriman
O'Brien.
18 Oct. '93

However, it would make its conclusion much quicker to have it taken in hand by each local authority simultaneously.

23,604. If you had a re-valuation, would it include all that part of the agricultural land over which rents have been fixed by the Land Commission, or would you leave that alone?—That is a matter on which I hope this Commission will make some recommendation—whether the Land Commission's estimated values should be taken or not. I have tried to explain my view of it. I think that to take them would involve some expense, because maps would have to be prepared. The Land Commission have maps showing every tenement on which they have fixed rents, but those would all have to be taken in hand by the Valuation Office or the county authority and gone over. All that would take some time.

23,605. If the re-valuation did not extend to that part of the agricultural land which has been valued by the Irish Land Commission, I suppose that would make a very material difference to the expense, would it not?—Yes, but I think it should extend, because you cannot take the Land Commission rent except as an element. A Land Commission rent, as I have pointed out to you, is made up of several details added together, and if you reported that, the English practice of taking one that the land under buildings is not valued twice over an adjustment would have to be made for that. A Land Commission rent very often includes a right of tithary five or five miles away from a farm. That would appear in the judicial rent, and that would involve an examination of the Land Commission papers, so that that land should not be valued once with the farm and once in the town land where the tithary existed. The Land Commission valuations sometimes make an addition to the rent for the right of gathering seaweed on the seashore five or five miles away. Whoever gets the revenue from the seashore should be rated there, and the tenant should not be rated in the townland where the farm is for the right of gathering seaweed several miles away, or clearly it would be rated twice over.

23,606 (Sir John Lubbock). How is it that this Griffith's valuation has been so blown upon for so long a time and yet there has been no success in dealing with the question?—How is it?

23,607. There have been several efforts made and Bills brought in either by private members or by the Government, and yet no Act has been passed?—I think that is very plain, there are a great many things in Ireland which there is no time to attend to in the Imperial Parliament.

23,608. Is it because of the cost, or is it because everybody is afraid of having their valuations raised so that there is a fresh valuation?—I think that when there were valuation bills prepared, they were prepared on a wrong principle, and badly pressed on. I do not know that much trouble was taken to press them on. I think that the landlords would have opposed these because they would have increased their income tax, and the tenants would have opposed them for fear that an increase in the valuation would have been made an income for raising their rents.

23,609. Would that not operate in case you carried out your proposal to have the future valuation on our English system?—I do not think it would. It would be another reason for letting the local councils do it, because the farmers would not make the same objection. I think, or have the same apprehension that they might have if it was going to be done by a Government department. Another thing—it is easier nowadays to explain through the press and otherwise, and great care should be taken to explain that the valuation was not for the purpose of affecting the rents, but for the purpose of making people contribute equally to local taxation.

23,610. But you agree that if the cost is borne by the State it would be more likely to be accepted by the Irish people—it would make it more probable that an Act would be passed if the cost was paid from the Imperial funds?—I think the objection to my proposal that the cost should be paid by the State is that the State would say, "Very good, we will make the valuation if we are to bear the cost"; whereas, I think it is more important that the locality should make it.

23,611. Would that not be an argument rather that the locality should bear one-half, at least, of the expense?—My reason for saying that the Government ought to bear the cost is, that the Government have allowed the valuation of Ireland to get into such a

chaotic state that I really think they ought to put it right before they cast the duty of the revision and maintenance of it on the localities.

23,612. In your proposal do you recommend keeping the Valuation Commission, or would you give the control to the Local Government Board?—I think the Valuation Commission should be retained. I have suggested that the valuation commissioner should be the deciding authority between ratepayers and the local bodies, and I think that he should be, what he is in Scotland, the assessor for railways and public works of that description, which it would be very difficult for the localities to deal with.

23,613. Going to another point; you have stated that you propose a fair letting-value, including all improvements, as the basis for the valuation of agricultural land; how would you place that valuation in the valuation roll, when would you rate it?—I should rate the occupier, in fact there would be no necessity to show anybody else in our valuation lists, because the occupier is now the person to be rated. I think it is very desirable, for statistical purposes, and for the purposes of the Government generally, that the immediate lessors should be put down and our valuation lists now show the immediate lessor and the occupier.

23,614. It would be necessary in the Valuation Bill to have the owner and the various persons who are to be rated?—I think it would be very desirable to have the immediate lessors put down.

23,615. With respect to what you state about the exemption of agricultural rental, does that mean that there are persons receiving money out of the land who do not occupy? In paragraph 10, speaking about the owners of ground rents, you say that the present policy exempts agricultural rental from local taxation?—Yes, agricultural rents are somewhat in the nature of ground rents; it is an income received by the owner from real property, and yet there is very little control over the land.

23,616. I presume you do not mean that if an owner of agricultural land occupies, he is exempted from local taxation?—Certainly not, because, as occupier, he would be rated. We have a great number of landowners in Ireland who never occupy and never reside and never visit the place, and yet they are exempted from local rates just as those who do reside and attend to their duties as citizens.

23,617. Have you any case under the present law where the tenant has the power of deduction from the owner in respect to the whole of the rates or any portion of the rates?—The present law has only just come into operation and it is very complicated, which is another objection to it. As I understood it, if a farm is rated at 50s. for the land, and 10s. for the buildings, and the rent is in the same 20s. when the landlord collected his rent in the old days he would have had to allow the tenant half the poor rate which the tenant would have paid in advance for him, now he will allow him half the poor rate on the value of the house, which might be 10s. That was an unnecessary complication, it would have been better to have treated the farm as one, taking buildings and land together.

23,618. That only implies to present tenants, does it not?—No, it applies to all.

23,619. Would it apply to all future tenants?—Yes.

23,620. I did not understand that?—Perhaps, I can using the word "future" in a different sense. I call a future tenant a man who does not come within the operation of the Land Act. I notice in Mr. Robinson's memorandum—for I really am not up in this new law—that there is no provision preventing a tenant coming from paying the poor rate; therefore, the parties are at liberty to arrange as they like between themselves.

23,621 (Chairman). To make sure I am right, as I understand, the rates that are to be paid by the occupier in future, will be paid by the tenants, but those rates will not be half rates as we call them under the English Agricultural Rating Act, but will be the ordinary rates of the district, just half the standard rate, which is a fixed sum, and which is paid for out of the agricultural grant—is that not so?—That is so.

23,622. And of course that will apply to land as apart from buildings?—Yes.

23,623. Is there anything that we have missed that you would like to add?—No, I think not.

23,624. We are very much obliged to you, I may say, on behalf of my colleagues, for the trouble you have taken?—Thank you.

The witness withdrew.

Re valuation list not have carried out in Ireland. Reasons for this.

Valuation in Ireland should be made by the local authorities in accordance with the First Report of the Commission. The Commission of Valuation should still have certain duties.

Land Government Act (Ireland) 1891. Provision as to the agricultural grant.

Mr. Robinson. 18 Oct. '93

Mr. CHARLES DAWSON called and examined.

22,625. (Chairman.) You are, I understand, Town Clerk of the city of Dublin?—No, I am now Collector-General of the city rates.

22,626. Your evidence that you have been good enough to supply to us in a printed memorandum is not personal to yourself, but represents the views of the City Corporation, does it not?—It has been submitted to the Rates Committee, and it has met their approval, but I am not sent here officially to represent them.

22,627. I wanted to add to the value, it is not only your own personal opinion, but it represents the views of those whom you have the right to represent here?—Quite so.

22,628. I think it is chiefly concerned with questions of valuation.—Yes, quite so.

22,629. You point out that the existing valuation of Dublin was made 45 years ago, and has not been thoroughly revised since that time?—There has been no general revision.

22,630. That being so, it is hardly wonderful that anomalies exist in it as it stands, which I believe you desire to have remedied and put right?—Yes.

22,631. There is a provision, as I understand it, in the Valuation Act of 1852 which allows revision at intervals of 13 years?—There was a provision that there should be a new revision after 13 years. That revision never took place, and the only reason that I have heard alleged for the non-operation of that provision was that the Act provided no funds out of which the very large expense attending that general revision was to come, and therefore it was left undone.

22,632. Would it not have been a very material interest to the city to have had a re-valuation?—It would have been a very material interest, but it was a case of what was everybody's work being nobody's. The Government did not proceed, and the expense not being provided for, the bodies interested did not go on with the matter.

22,633. When you say that the expense was not provided for, do you put it to us that it would have been out of the power of the Corporation of Dublin to have a re-valuation if they had been willing to provide the means?—There was no provision in the Act that the valuation was to take place on the initiation of the Corporation. There is in the new Local Government Act a provision for that object, now the Corporation in Dublin can, by a majority vote of the Corporation call for and get a revision, but there was no provision in the previous Act for the Corporation to initiate.

22,634. Is it under that provision that Belfast is being re-valued just now?—Yes, it is under that provision.

22,635. To go back to the other matter, do you suggest now that it was out of the power of the Corporation of Dublin to have paid the cost of the new valuation if they had been so minded?—I think it was out of their power, but I put it in this way.—That the matter of valuation being in the hands of the Government exclusively, in the hands of a Commissioner of Valuation, and the Valuation Commission being a Government Department, and the collection of rates in the hands of the Government up to 1850, the Corporation of Dublin did not take that lively interest in the matter as if it was in their own hands, and they had, like in England, local assessments, and all that—so therefore they did not move in the matter.

22,636. Did they make no representation to the Government Department on the subject?—They did. After the Urban Commission they made a motion to alter that, I think, because there was no provision for the vast expense, but the thing fell through, and no steps were taken.

22,637. They did not offer to pay the expenses of the re-valuation?—They did not offer, but I think the Corporation would have been always willing to have paid their share, because there was a number of townships and other bodies interested as well, and the Corporation would only have had to pay its share.

22,638. I do not think you have heard the evidence that was given to us, either by Mr. Robinson, of the Local Government Board, or by Mr. O'Brien, of the Local Commission, this morning?—I did not

22,639. Without attempting to make myself responsible, or to quote all that they said, the drift of their evidence was in favour of a re-valuation of properties at stated intervals by the local authority and the Government acting together; would that suggestion put generally, in that way, commend itself to you?—The first portion as to the periodical valuation commends itself entirely to me. There is in London, and I believe throughout England, a quinquennial valuation.—

22,640. Not throughout England, but there is in London?—That quinquennial valuation brings things up every five years to the state of the time, whereas in Dublin, as your Lordship is aware, for 40 odd years there has been no special valuation. Therefore with that first portion I thoroughly agree. With regard to having an assessment committee, as there is throughout England, I would be very glad to have that information also, because I think that if there was an assessment committee, composed of members of a corporation like Dublin, with a representation of three or four from each district of the city, they would have a better understanding of who is who, and what is what, than, if I may say so, more valuers people sent out just because they could pass a Civil Service examination. You would have men accustomed to the locality, knowing the properties and knowing the interests, whereas now it is a person who has been going into the Collector General's office as a poor rate collector. My own belief, from my own personal experience, when in your control of the rates in Fleet Street, is that the men in Dublin have no legal appreciation. They often told me that they thought taxation should be based upon the construction of a house.

22,641. The cost of the construction, do you mean?—Yes. I had to put it to them; supposing any one was fool enough to build an expensive house in a parish of Dublin; and, supposing there was a good (leek and mortar house in Marston Square, and the one was worth thousands, as a construction, but the other would bring in hundreds in rent, which do you think should have the higher valuation—and really some of them told me they thought that the house upon which the large amount of money had been spent should have the higher value.

22,642. What is the law that you would like to see taken? Supposing you were going to enter upon a re-valuation of the city of Dublin and all the localities within it as at the present time, what are the conditions which you would suggest should be laid down in the directions given to the authority?—There are already no questions of theory; they are laid down most distinctly in the Valuation Act for Ireland, the 15th and 16th Victoria, chapter 55. There, under section 11, it is decided that "such valuation in regard to houses and buildings shall be made upon an estimate of the net annual value thereof; that is to say, the rent for which, one year with another, the same might in its actual state be reasonably expected to let from year to year, the probable average annual cost of repairs, insurance, and other expenses (if any) necessary to maintain the hereditaments in its actual state, and all rates, taxes, and public charges, or if any (except rates, taxes, and public charges), being paid by the tenant." That is the law.

22,643. Are you quoting from the Local Government Act?—No, I am quoting from the General Valuation Act of Ireland, upon which valuation was only sought to be based now, but should have been based since its passing. That principle has been utterly ignored in Dublin.

22,644. What is the date of that Act?—The date of that Act is 1852. What I complain of is that with that clear instruction of a definite character the valuation of Dublin city, with its partial revisions only, has been carried on in defiance of that, and that houses in Grafton Street and Berkeley Street, which bring 300l. a year of net rent, going into the landlord's pocket, the tenant keeping the premises in repair and paying the rates, are valued at 400 and 500.

22,645. What is, in your opinion, the case for that?—The case for that would be a general re-valuation. In my efforts on this question I am only asking for the law to be carried out, nothing more. If there was a general valuation, the Commissioner of Valuation is now quite prepared to apply the law, but in his own

Mr. C. Dawson.
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18 Oct. '92
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the appointment of Local Assessment Committees desired.

Valuation.
Principle of valuation laid down by the Act of 1852.

Valuation.
Anomalies in Dublin.

Re-valuation in Ireland is desired.

Mr. C.
Dawson.

18 Oct. '99

evidence he stated before your Lordship's Royal Commission, that he found himself in a groove when he went in as a spectator to the late Commissioner. He allowed, in a question, which I refer to in paragraph 7 of my memorandum, that he found himself with a prejudice which he knew to be wrong, but that he could not alter that prejudice; and I quite agree with him because if he altered it for one, instead of making it general, then he would increase the taxation on one party without relieving the general evil. For instance, I drew his attention in 1894 to the fact that the tramways, if I am not troubling you with this, were valued in 1874—30 odd years ago—at 1,700*l.* in the city, and had never been revised; and I went to the Commissioner, and I said it was a most extraordinary thing; these have quintupled in their extension, they have octupled in their profits, and here they are remaining at 1,700*l.* I got a revaluation of that particular item; it was over 4,000*l.* odd, and it added 1,400*l.* a year to the municipal income.

23,646. What I wanted more to get from you is the question which began the discussion was what, in your opinion, should be the authority responsible for the revaluation in the future?—The present valuation, as your Lordship is aware, is in the hands of the Government Commissioner and his officers.

23,647. I know I—I would propose something on the lines of the assessment committees of England, with a Government or impartial referee, such as, perhaps, the present Valuation Commissioner.

23,648. In other words you would like to get all the benefits you can from the application of local knowledge, but you would also like to have the impartiality which is introduced by the Imperial officer sitting along with them. Is that your view?—Yes, that is my idea.

23,649. I think I need not take you through the details of your memorandum, except to refer to paragraph 12. There you instance Trinity College "paying 30 acres of the most valuable part of the City" only valued at 6,945*l.*, and the only rates paid "on its immense buildings, halls, chapels, &c., are a sewer rate of 3*l.* 6*d.*, and a local rate measure along the space fronting the public streets amounting to "33*l.* 2*d.*" Do I understand that that figure of 6,945*l.* is what appears in the valuation roll of the City of Dublin as the actual value of Trinity College?—Quite so.

23,650. How is it that only a sewer rate of 3*l.* 6*d.* in the 2*d.* is paid on that?—I have read all the documents in connection with Trinity College from its original charter up to those of the present day, and I could never satisfy myself why it was exempt from the local rates which are paid by the colleges in Oxford.

23,651. That is just what I was putting; I want to find out exactly whether the representation in paragraph 12 is against the valuation of Trinity College, or against its exemption from rating?—It is against both.

23,652. Just let us keep them separate, take the exemption from rating first?—I cannot see, as I have said, in any Act of Parliament, that I have read, or in any charter of the college, which I have also studied, any legal grounds why Trinity College should be exempt from all the rates except the sewer rate.

23,653. What does it arise from, what is the claim on the other side. You can tell me no doubt implicitly?—The claim is this, I think, for one thing. They provide for a valuation of the buildings at the figure which is quoted here, 6,945*l.*, and then there is a clause as to open spaces and dead walls. Your Lordship knows Dublin, and you know that Nassau Street runs along an immense distance. I quite saw that it was reasonable that a vacant space and a dead wall should not be charged and assessed at the same rate as great buildings, and I read the two clauses in the Act of Parliament as continuous and not alternative.

23,654. Let us keep the questions separate for one moment, as I understand it, Trinity College pays no poor rate?—I think it pays a poor rate. It was not within our jurisdiction for poor rate up to this year; the poor rate was collected by the Government, but I believe it pays poor rate, and it has only an exemption from the municipal rates.

23,655. Take the municipal rates, which are more under your own cognisance. Do I understand it that

Trinity College is exempt from all municipal rates?—Except the 3*l.* sewer rate.

23,656. Except the sewer rate it is exempt from all municipal rates?—Yes.

23,657. Lighting, road-making, paving, public health rates, and so on?—Quite so; everything except the sewer rate.

23,658. Let us go step by step. On what does that exemption rest?—As I have told you, I have read the Acts and documents, and really I cannot find it out. I have heard a theory, and it was this—that when houses rating was first established in Ireland, in Dublin it was made up of a schedule of houses, for the first time houses were asked for what was called ministers' money, and that ministers' money was not paid by Trinity College at that time. It being perhaps, a quasi-ecological establishment. Then when the new régime of taxing houses and premises separately was brought out, for some reason of that kind, I believe an entirely illusory one which could not be legally sustained, Trinity College was left out for the municipal rates.

23,659. You are not able to give me definite information?—That is all the information I got—that that is the presumption.

23,660. Very well, we will not go further into that side of it, at present at any rate, but it may be a question for the consideration of the Commission whether we should not find out from somebody who knows how that has arisen. Now, I understand you also to complain as to the valuation of Trinity College that 6,945*l.* is not sufficient?—I should think, if you took the 30 acres of land that there are in the centre of the city, you would see that. I took myself one side of Nassau Street—the side that the college is, you know—and the valuation of the houses at the other side which paid municipal rates comes to over 4,000*l.* odd; therefore that much is lost.

23,661. Just let us bring that to the test; would you value the 30 acres of Trinity College at the same rate as if it was wholly built over?—No, I would not, because the intermediate spaces—what you call the road spaces—are dealt with in the local measure. The buildings themselves of Trinity College, as anyone is aware who has looked at them, are far beyond the value of 6,900*l.*

23,662. What is the test that you would apply to it, supposing you had, as a valuer, to value Trinity College?—I would apply the test what would such buildings with their extent of area and position bring, if they were like the hotels and the various other establishments all round. I do not look upon Trinity College for which everyone has to pay as a place open to the public; I look upon it as an entirely a place that should not be exempt upon any ground from the local taxation, or from valuation.

23,663. If you take letting value, would anybody be prepared to give more than the sum for Trinity College as a letting value, if the buildings stood as they are?—I should think so. If all those buildings were open to the hypothetical rent that a portion of that city would be likely to produce, I think there would be an enormous rent given.

23,664. You make a comparison between Oxford and Cambridge, and quote the actual sums at which you say they are valued for local rates as 69,000*l.* in the case of Oxford, and 40,000*l.* in the case of Cambridge; have you compared the area in the respective places which these colleges and halls occupy with that of Trinity College?—I have visited both the places myself—both Oxford and Cambridge. I did not get the exact area, but I got this information, that generally speaking they do not employ or take up very much of the frontage. You enter into a great gateway and you are inside a portion with squares and quadrangles that infringe very little, if at all, with the outside town; whereas in the case of Trinity College the buildings occupy the very cream of the business position. Then of course Trinity College is bigger, I should think, from what I quote there; I have not the Oxford figures, but I think it is bigger than almost any separate college—considerably bigger.

23,665. At the same time I suppose you would go to this extent, that a very exceptional institution like Trinity College could not be valued precisely upon the

Valuation in Ireland should be undertaken by Assessment Committees assisted by the Commissioner of valuations.

Valuation of Trinity College, Dublin, said to be too low. Exemption from certain rates.

same terms as a bank or a warehouse, or even a dwelling house?—I think, as I have said in another portion of my evidence about exemptions, that the sooner the case for exemptions is put upon a clear and legal basis the better.

23,656. I will come to that in a moment, but I should like to ask you your opinion in answer to this question: Would you put it to me that Trinity College is in an exceptional position should be valued and rated upon the same principle as shops, warehouses, banks, dwelling-houses, and so on?—I really think it should.

23,657. You do?—I think similar institutions in England, the London University and others, are valued not so much for the objects of the college as on the value of the position and the situation. I think they are valued from that point of view.

23,658. Have you made inquiry into that when you put that to me?—Yes, I have got returns of the valuations of the colleges in London.

23,659. Would you be satisfied if, *mutatis mutandis*, the same terms were applied to Trinity College as are applied to a corresponding institution in one of the large cities of England or Scotland?—Quite so.

23,670. Now you wanted to say something I think about exemptions. What is your view about exemptions?—I know that in Ireland as a matter of fact the conditions of the exemptions are very clearly set forth in the Act, and they are mainly these, that the place exempted should be entirely for religious or charitable purposes held up or supported by voluntary contribution, or that they should be institutions open to the public.

23,671. What do you mean by "open to the public"?—I will give your Lordship a case in point. We have now the National Library in Dublin—that is open to the public. All that you have to do is to present a face advertisement, and in you go the National Gallery in the same way; the Museum in the same way. There is no lot or hindrance, you can go in; whereas you cannot go into Trinity College—it is not a public building—and various other most institutions. At the Royal University you have to pay your fees. You get nothing for nothing, and it is not open for you, me, or any other man; in fact in England in some of the recent decisions they have taken it that even where you have a thing for purely sectarian charities—say, for the Roman Catholic poor, or the non-Catholic poor of different persuasions—that is not in England, and has not been by judgments given, looked upon as perfectly open and exempt, because it is confined to particular charities.

23,672. In short your view would be to make exemptions only within as narrow a limit as possible?—Quite so, I would even abolish them all.

23,673. You would exempt churches, I think?—I put that in my memorandum, because I dare say it would create great opposition, but on the whole, I think if even churches were included in taxation, the taxmen that the general public would contribute would be forced by so much as comes from their being added, and how the public would lose would be by giving an extra contribution to meet that taxmen on the church; by which that taxation would be qualified on the other side. What I want to put to your Lordship is this: The best object in the world—church or chapel or anything—cannot *ex se* raise; you must pay rent, no one ever thinks of giving rent for nothing because it is a church, and I collected that to keep any building in its proper state, it is equally as essential as are the four walls or the roof that you should have the paving, the lighting, the cleaning, the guarding and the watching, these are as essential to the residence or occupation as the others, and I think, therefore, they ought all to be made to pay these rates. The ratepayers generally would benefit in a lesser percentage. Where to draw the line it is very difficult indeed to say. I know institutions in Dublin of many characters, in my short experience of collecting the rates, Catholic and otherwise, non-Catholic, where people are paid like nursing stations. Sometimes there is great competition, and they get 25s. or 30s. a week. These nursing sisters and they get homes for sending out nurses are absolutely looked for with anxiety, and the nurses are paid for by a salary per week, and they are paid, and yet many of these houses day by day in Dublin are being wiped out of the rate book, and the city loses the rates.

23,674. Can you lay down for me any principle upon which you would go in regard to dividing the line between those churches and chapels and religious houses which should be rated, and those which should not?—For prudential reasons I would allow churches and chapels of all denominations to be free. With regard to the others, I would stick to the words of the Act, which are perfectly clear—4 is the 6 and 7 Val. c. 38 s. 1—that in order to get exemption the institution should be supported entirely by voluntary contribution and should be serving no money outside. That is the main principle.

23,675. Do I understand you—and this is the only other question which I think it necessary to ask you—to suggest a tax for municipal purposes upon income?—I propose in this way. As I think I have quoted in my memorandum, Lord Salisbury, and the present Chancellor of the Exchequer, and others, have pointed out very frequently that it was an anomaly that millions—I think 750 was what Lord Salisbury quoted as Eker—should be in the funds and should be taxed for Imperial purposes, and pay their share of them, but should pay no share of the very great expenditure for local purposes. The occupiers in many of the houses in Dublin and other places are humble, struggling people, and according as our civilization goes on requiring all these works, they have to pay.

23,676. Excuse me for saying that I have not got Lord Salisbury here to transcribe upon the point: What I want to know is whether you suggest a tax upon income for municipal purposes?—Certainly I would.

23,677. Supposing I live in two places—for six months at one place and six months at the other—would you tax me to the full amount of my income in both?—Of course the way of getting it is a very great difficulty even for those who suggest it, but if the municipal tax was confined to the place where the person had his general residence, in going abroad, or anything, your tax would not follow. You have people who have immense estates in Dublin and other places, and have large incomes, and people who have great wealth; I think that the State ought to find the way. There is a municipal income tax in many places abroad, and I think there ought to be a municipal income tax here.

23,678. Do you mean collected municipally?—I should think so. I say the difficulty is very great, as your Lordship suggests, as to the mode of collecting it, but that is a detail that I think legislation and thought would get over.

23,679. Have you ever seen any scheme proposed which would get over the difficulty?—I have read the schemes that are in motion in some of the Swiss Cantons, I think, and I know in America in many of the States there is a mode and a means of collecting a municipal income tax. I would suggest that a portion, collected in the same way as the Imperial tax, could be allocated in relief of local rates.

23,680. Did you ever hear that it had broken down in practice?—I have read and heard of that too.

23,681. (Mr. Wharrie.) One question with regard to the value of Trinity College; you compared it to Oxford and Cambridge. Just take Cambridge; I see in your memorandum you say the colleges and halls of Cambridge are valued at 40,000. Have you compared the area of the rated colleges of Cambridge with the area of Trinity College?—That is just what Lord Salisbury has asked me. I did not compare them, but I want round them myself, and I saw, first and foremost, that they are in very small towns—

23,682. I only asked you as to the area?—No, I did not compare the exact acreage.

23,683. I will only put to you the acreage of one college at Cambridge, do you know what the acreage of King's College, Cambridge, is?—I think not.

23,684. Do you think it is less than 30 acres?—I am not aware.

23,685. Supposing King's College, Cambridge, alone is over 30 acres, and remembering that that is only one out of, I think, 14 colleges, King's College, Cambridge, being in the very centre of Cambridge, probably the 40,000, as compared with the 6,000, would make out the valuation of Trinity College, Dublin, and of the colleges at Cambridge to be somewhat on the same basis?—I think, with great respect, that the value of

Mrs. C.
Deane.

18 Oct. '99

Incomes should be taxed for local purposes. The difficulties of carrying out this suggestion discussed.

Valuation of Trinity College, Dublin. Valuation is too low.

Mr. C.
Barnes.
—
18 Oct. '99

Rates will
be more
closely
calculated
by the
tenants
who
agreeing
upon rates
since the
passing of
the Local
Government
Act, (Ireland).

the place that I refer to, in the centre of Dublin, which is for many reasons now the whole nucleus of all Dublin trade, and the starting point of everything, is much greater. I think it incomparably more valuable than anything either in Oxford or in Cambridge.

23,685. (Mr. Elliott.) Is paragraph 25 of your memorandum, you say, "In new tenancies, all the poor rates will fall on the occupier . . . His only safe-guard is to remember his burden when agreeing to rent." Do you mean to say that he will be willing to pay less rent, now that he has to pay rates, than he was before?—I think so, because, as I have stated already, the idea in Dublin seems to be a great rental and a small valuation. These houses in Grafton Street, we know, being in 2001 a year rental, we know it, and there is competition for them at that price, and yet some still remain at the 400, to 500, valuation of 1861, when they were little residential houses in Grafton Street.

23,687. Do you mean to say that the occupier, now that he has to bear the whole of the poor rate, will not be willing to pay so much as he has done?—I think there will be a question of looking into the rent. Unfortunately in Dublin they will pay anything for the rent in a prominent street, and the question of the taxing valuation is left out.

23,688. But would you say, generally, that a man in deciding what amount of rent he can pay, will have regard to the amount, or that he ought to have regard to the amount, of the rates, if he is a good business man?—Yes; but my idea is that, apart from the tenant and the owner, that is the landlord, the law of the land should be carried out in Dublin.

23,690. I quite understand that, but I was rather wanting to get from you your opinion as to the effect of the new Local Government Act on the respective valuations of occupier and owner, assuming that you had a proper valuation of property?—Then, I think, the occupier will look more closely to the rent he pays just now.

23,696. (Mr. Dalton.) I think you consider that if you had a re-valuation of Dublin, the corporation would get a very much larger revenue?—That is not what I consider so much. I consider that the effect would be rather a lesser percentage if the corporation expenses were not increased. I put it in this way, that the people in Dublin say, your rates in Dublin are excessive as compared with London and Manchester, and all that; I have often to say to them the reason is this: If your house, for which you pay a net rent of 2001 a year, was in London, it would be valued at that 2001, but when you have a house in Dublin at 2001 a year it is valued at 401, therefore, the Dublin municipality on the same amount have apparently to pay a very high percentage, and it is thrown in our teeth that we are the heaviest taxed people in Ireland.

23,697. You think a re-valuation is very desirable in Dublin?—Most desirable.

23,698. Have the corporation applied for a re-valuation under the new Local Government Act?—They applied for it under the Bill which was before the House of Parliament last year. They made it part of the Bill that, if the Bill passed, the valuation was to be obligatory and compulsory. The reason that they are holding their hand now is that they intend to go again for that Bill, and then the thing which would otherwise have been a vote of the corporation would absolutely be passed as a clause in the Bill.

23,699. But they can at the present moment apply for a re-valuation?—They can by a majority vote.

23,694. On payment of half the cost?—Quite so.

23,695. And the reason they do not do it, is what?—We are going for the Boundaries Bill again, and that contains a provision of a compulsory character, the corporation in fact do not like to leave it to the vote of the council; they would rather have it in the Bill where it would become *ipso facto* an Act.

23,696. Because it would be impossible, I suppose, with those who would have to pay rates?—Perhaps that is so; an agitation might be got up against it.

23,697. I think you say in paragraph 3 that in Dublin the gas companies are valued apparently merely as structures?—I will tell you what I think of the gas companies in Dublin. All public companies in Dublin seem to be valued as if they were merely structures. Take the gas companies' acknowledged evidence before your Commission to which I refer. All the gas companies' witnesses said that it was on a certain basis

of receipts and expenditure that the assessment was arrived at, in fact it was with reference to profits, because they cannot be judged upon the hypothetical case of a rent where there is a great competition, for in this kind of public monopolies there can be no competition. In the evidence to which I refer, given by a Mr. Jones, I think he said that in some of the gas companies the reasonable value was equal to 50 per cent. of the profits. Now our gas company in Dublin divides 75,000 a year in profit, and the whole thing is valued at 7,500 within the city.

23,698. But is it legally valued as present as a structure?—I do not think so.

23,699. Is there no means of putting that right?—There is the general revision.

23,700. Is there nothing but a general revision; have you no power of appeal against it?—The Commissioner of Valuation, I think, has something to say for his course of action. If I represented cases of undervaluation to him, as I did about the tramways and certain railways, he has retired at; but then he has said, "what have I done; I have rated the valuation of one particular company to which you have drawn my attention, and a company or a place does not by, to which attention is not drawn, goes scot-free." Therefore, he, I think, would support me in my statement that there ought to be a general revision to commence with, then occasional or periodical revisions to keep things straight.

23,701. Has he refused to put this valuation right, because he knows that other valuations are wrong?—He answered your Commission himself when it was put to him whether this was not the case—his answer I refer to—that he found himself in a groove, that he knew things were wrong, but finding the practice of the office to be so he could not justly reform it without doing injury to some particular people.

23,702. You say that breweries, distilleries, and so on are fully valued at Burton-on-Trent?—I do.

23,703. Upon what principle are breweries and distilleries valued at Burton-on-Trent?—The principle I think must be one very different from that adopted in Dublin. I got a schedule of the valuation of breweries at Burton-on-Trent, Guinness's brewery is known to be the largest I think in the world, certainly as large as Beal's, and a great deal larger than Allsopp's. I got this Burton-on-Trent schedule, and I found that Beal's is valued at 34,767 for local rates, Allsopp's is valued at 19,288, Worthington at 20,000, and going on to the others, making a total for the breweries of 97,000. Guinness's brewery is valued at 10,000.

23,704. Have you made any comparison as to the size of these different breweries?—The size of Guinness's I think is allowed to be larger, and then of course you are aware that six millions or something like that was paid as purchase money. In the small town of Burton-on-Trent, with its 50,000 inhabitants or so, you have one brewery assessed at 34,767, and you have Guinness's brewery assessed at 10,000.

23,705. A brewery is not rated so as profits in this country, is it?—I think in the case of breweries in England there are special cases made for them. A brewery is a public company, you know, which publishes its reports.

23,706. But the premises are not rated according to the profits made by the brewer, are they?—Yes, I think they are, else how could you have 34,767 in Burton-on-Trent, and 10,000, at Guinness's in Dublin—how could you arrive at it if there was not some very radical difference?

23,707. Then you say that the valuation of Government property is very inadequate?—It is very inadequate. I think I gave a few instances in my memorandum. The different Government property is paid for, as you are aware, by a bounty.

23,708. (Mr. John Ewart.) And it is not valued at all?—It is a payment in lieu of rates, there is an agitation going on in the House of Parliament by parties to have the Government valuation paid for as a right and not as a bounty. We get the Government valuations, we cannot re-value them ourselves, but when we can we get them re-valued; we got re-valuation the other day, and added 4,000 to the figures, but nevertheless when the Castle, and all these castles and squares which take an enormous portion of land and a great number of buildings, are only

Re-valuation
in Dublin
is very
desirable.
The Corporation
are endeavouring
to pass a Bill
dealing
with the matter.

Gas companies.
Valuation
in Dublin is
excessive.
Factory.

Mr. C.
Barnes.
—
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Re-valuation
in Ireland is
necessary.

Breweries.
Valuation
of a
Dublin
brewery
factory.

Valuation
of Government
property is
inadequate.

valued at 3,000*l.*, I should think if they were valuing that—

23,706. (Mr. Dalton.) When do you suggest should value this Government property?—I suggest that it ought to be the assessment committee; it is in England, I suppose.

23,710. (Sir John Herbert.) No, in England it is also a luxury?—But I propose that if we had that assessment committee of which I have spoken, with a fair impartial Imperial referee, that the Government property ought to be valued according to the situation just on the basis of other properties.

23,711. (Earl of Cardigan.) I think you told us that one of the reasons there had been no re-valuation was that no special provision had been made for the cost?—Quite so.

23,712. How do you suggest that the cost should be defrayed in the event of a re-valuation taking place?—I think that the Corporation and the Government have come to the conclusion in regard to the Bill we were proposing, that if a compulsory valuation took place, the Corporation are not to its share of risk and benefit should pay the share of the expense of the valuation.

23,713. That is practically agreed, is it?—It is practically agreed, in fact, the Commissioner of Valuation, I think, is quite with me, and with the Corporation—that things require a revision.

23,714. You told us that though there has been no general revision, certain properties have been re-valued, and you mentioned, I think, in your memorandum, trams, telephones, and railways; can you tell me why those particular holdings were selected?—I will tell you why. When I went into the office of the rate books, I found the trams in the city of Dublin, in the year 1894, valued at what they were 25 years before. That looked to me a most startling thing. I knew then 25 years ago to be just commencing, and I knew that from 1874 to 1894, as I have said, they had quadrupled in extension, multiplied in value, and still there had been no effort made to revise the valuation. I brought it under the notice of the Commissioner of Valuation, who has always been most anxious, and quite agrees with me that it requires to be taken up, and he re-valued them, and he added in the city alone, as I told you, that 4,000*l.* odd. Then I took the railways in the city, whose termini are immense, and he valued the Northern Railway, and he increased the valuation; and to show you that the Commissioner allows that that extension of profits, and receipts, and expenditure are in his valuation, I may mention that he has lowered the Dublin, Wicklow, and Wexford Railway this year in one township 2,000*l.* or 3,000*l.* or more, because the tram cars have interfered with its profits and reduced its income.

23,715. And put the difference on the tram cars?—I think he ought.

23,716. How has?—It is only the other day he has done that.

23,717. It appears to me that the result of the operation will be that you will get a very unequal rate, will you not?—You will take it off something, and not put it on something else? Is not the result of that operation that you have taken something off the railway company, which you think they have lost owing to the action of the tram cars and their competition, and you have not put it on the tram cars?—No, my objection from that is that if the valuation system takes off where there is a depreciation and a loss, surely they ought to put it on where there is an appreciation and an improvement.

23,718. That is what I am putting to you—but they seem to have done one thing and not done the other?—Quite so.

23,719. Whose fault is that?—I do not like to throw any suspicion. It is the fault of the valuation system. For instance, we have the north side of Dublin falling into decay comparatively with the south side, where everything of property has congregated. We have the northern people, professional men and others, leaving the great squares and going to live in the suburbs, and the north side is falling into decay, and its poor rate is much higher than the south on account of that. The Commissioner of Valuation on application has reduced the valuations in the falling places, allowing the prin-

ciple of the hypothetical rent as the basis, but in the place where it has quadrupled, and multiplied, and where there has been a 500 per cent. increase in value, no increase occurs in the valuation. Therefore the city is charged with a loss where it occurs, and is credited with a great amount of increased value on the other side.

23,720. Is it not the Commissioner's business to try and make an equal assessment?—Quite so.

23,721. Is it not his duty to see to that?—As I told you, he has already answered your Commission by saying that it is his duty, but that he thinks, and I think with him, that to do it effectually it would have to be national and not spasmodic.

23,722. But you have made it a little spasmodic, as you have taken a certain interest with which you have dealt?—I did that officially because I saw that they were not dealing with it; but he has come to the conclusion that he could not pursue that invidious policy.

23,723. Have the tramcar companies, the telephone companies, and the railway companies any voice or representation on the committee or local bodies?—I do not think so, as such.

23,724. They have none?—Not as such.

23,725. An individual tenant has?—Yes; but not companies, in the same way as similar companies have no voice in England, and no position on the local committees.

23,726. I wanted to ascertain if it was the same in Ireland?—It is so.

23,727. Is it not an anomaly that a large interest may be heavily taxed, and liable to be put up and down as the case may be, and yet have no voice and no vote?—My opinion may be very different. I think the holder of your position in life the greater the necessity there is for having your interests put forward and represented. I would not have representation on money value at all, and fortunately the country is wiping away that money value in all the share it is giving the people of the country in its government.

23,728. I am not talking of money value, but whatever it is—be it small or be it great—do you not think such interest ought to have some representation in a vote?—I am thoroughly against the representation of money.

23,729. Of any sort or kind?—I would let it be in the management of companies where the interest is the company's but certainly in public life and in the government of municipal and Imperial affairs I would not let money preponderate, or even get a share, as money.

23,730. Take two holdings of equal value—I do not care what the value is, small or great—one held by a company, and one held by an individual, is there any reason why they should not both have the same representation and the same vote?—No.

23,731. You would be in favour of that?—Not at all; I would be opposed to that.

23,732. You would be opposed to that?—I would be opposed to giving any extra vote than that which the Government and constitution has given, one man one vote to a great extent.

23,733. I am not talking of one man; I was talking of a representation of a piece of property that was being taxed?—I would not have representation if I was concerned in it upon money qualifications at all, that is, in municipal and parliamentary representation.

23,734. I am only taking local rate questions, surely what you have got to represent in regard to the local rates is a certain property, is it not, not an individual?—In the end property in what is taken, but the individual is always held liable, in local rates, as in Imperial, I would entirely dissociate, as you have done in England for instance, the individual householder and the holder, from the payment of money. The principle of the Constitution is to dissociate altogether the payment of money from the privilege of having a vote for local purposes.

23,735. Then, in fact, a man at present who owns any property would not represent the property, and would not be able to object to the assessment of any property he has?—Any ratepayer can object.

23,736. How would you define a ratepayer?—A ratepayer is a person returned as occupier or owner.

Mr. C.

Dawson.

18 Oct. '96

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Mr. C. Dawson. You can appeal against a valuation order if you think it too high or too low.

18 Oct. '99 23,737. If you are going to reject any idea of all representation of property of any sort or kind, how are you going to get at the taxpayer?—You get at the taxpayer now as an occupier in the occupation of premises. It is not a property at all; it is a personal debt now.

23,738. It is a personal debt, you accept, is it not, of a certain tenement?—Yes.

23,739. Do you not come back there to some property?—As I say, be in the occupier, and I say there is a large amount of voters imbalanced householders and lodgers who may not own anything at all.

Valuation. The principles laid down by the law are not carried out as well in Ireland as in England. 23,740. (Chairman.) Have we omitted anything you want specially to call our attention to?—There were some principles about ground rents that I wanted to call your attention to. There is a comparison in the memorandum that I made myself personally between a rate book in Liverpool and a rate book in Dublin. The words of the two Acts applying to the two countries are almost identical; there is not an atom of difference between them. This comparison is given in paragraph 4. The object of that paragraph is to show that in England the law has been adhered to and carried out by the assessment and valuing authorities. The object of the form quoted under the Liverpool one is the Dublin one is to show how entirely the basis of the law has been ignored. For instance, you will find in the Liverpool form the rate number, the tenement number, the occupier, the owner, the description of the property, the gross rental, and the rateable value, subject to the deductions for the causes I have named before. When you come to the Dublin form you find rate number, street, occupier, immediate owner and description, but no reference whatever to what is the basis of the law—the hypothetical rent.

23,741. No reference to what?—No reference to the gross rental—in fact there is no reference in the Irish form to rental at all.

23,742. That is a necessary consequence of the form in which the valuation was originally made in Ireland, is it not?—No, I think it is a departure from what the law was. The law stated as I read it to your Lordship, in the first Act of Parliament, that the rent should be the valuation which should be based upon the hypothetical rent that the premises will bring from year to year; therefore rent is the basis with certain deductions. In England, that rent is quoted, in Ireland it is entirely ignored—in Dublin, at any rate.

23,743. Your point in bringing this forward is that you would like to have the Irish practice more nearly assimilated to the English?—I should like to have the law carried out in Ireland as it is in England; the law is identical.

23,744. If it is the law, why has it not been carried out?—That is a question for the Commissioner of valuation.

23,745. But have the Corporation of Dublin taken any steps to have it carried out?—The Corporation of Dublin have no influence whatever in the matter, I think; it was not in their department.

23,746. If it is the law, cannot a rating body like the Corporation of Dublin see that it is carried out?—Will not the Law Courts oblige the person who has to do it, to do it correctly?—I submit that when Her Majesty pays an enormous establishment, and has an Imperial officer to do a thing, that he ought to carry out the law.

23,747. We are all under the law in this country, and when we are aggrieved, we are in the habit of appealing to the law?—Yes.

23,748. Has Dublin ever attempted to force whoever is responsible to carry the law out?—It is in this way. The proper person to bring the thing before the Commissioner of Valuation as to an error or under valuation is, by law, the poor rate collector; the poor rate collector in Dublin up to the 30th September last year was a Government officer in a Government office, and the Corporation were completely shut out. It was when I myself was appointed to this office of the collection of the uncollected rates, and had before me, and was paid for doing it, that I myself went into this matter, seeing its importance, and seeing the poor paying for their house at a rate of 4s. in the pound, where if things were just, they would pay 4s. I took the matter up because the men in the Corporation are very busy,

and then we had these Local Government Bills, and we had various other heavy impositions in the Corporation of Dublin, and I being paid for the duty, and having my time officially at my disposal, attacked this question, and I, to a great extent, raked it up.

23,749. We will take a note of some of what you say; so there may other matters which I have not attended to which you wish to mention?—I think there is. You will see the difference now between the mode of procedure in England and Ireland, then I wanted to point out strongly the migration of the better classes, day by day, from particularly the north side of Dublin to the southern suburbs, where they cross the canal, and where they are in valuations where the rates are light. They are doctors and so on, and go to their professional business in the town, or they are men of professions in the courts, and come from suburban villas into the town, or they are people in the universities who come into the town, where they pay do everything in the town, and earn everything in the town, but who live outside.

23,750. Is not the same movement taking place everywhere—so people give up either, they go into more pleasant residences; is that not happening in Liverpool, and Glasgow, and London itself?—Quite so, and in Liverpool the extension of the boundaries has been granted three times over for the purpose of meeting that very difficulty, and for wiping out that injustice. In Dublin the boundaries have been, to my own knowledge, extended for the very same reason.

23,751. I am afraid you must not put upon me here anything about an extension of boundaries?—I only want to show that that is an element in the constitution of a portion of the city.

23,752. It is not surprising to me that people with, if they have a chance, migrate to places where there are smaller rates in comparison, but I should not that you see the natural working of human nature?—Quite so; and where they have done it, in most cases in England, they have extended the boundaries to meet the new state of things. There is one other thing I wanted to point out, if I am not too long, and that is with reference to the owners of great estates in Dublin. Take such a property like Lord Pembroke's and others, who take 10,000, or 20,000 a year out of the city. I contend that if the city local expenditure did not go up, and did not keep all the thoroughfares, and all the public works to order, that the security which these great landed proprietors of ground rent in Dublin have would be very much endangered.

23,753. What is the nature of the particular property to which you refer—Lord Pembroke's—is it drawn from ground rents or what is the nature of it?—It is drawn from ground rents. It was a gift from the city to the predecessors as title of Lord Pembroke many centuries ago. I want to point out to your Lordship that Lord Pembroke himself, in the Pembroke township, has, by giving 7000 a year towards the drainage, acknowledged the claim that great permanent works like that have—which will benefit that property for hundreds of years—like the great drainage work of Dublin now going on. He has acknowledged that, and pays 7000 a year towards the expense of the drainings. But he does not pay a halfpenny in Dublin. Therefore I think that ground rents closely, where houses are falling in, and where the sewer is the purchaser not only of the ground, but of the buildings above it, should be made to contribute to permanent improvements like the main drainage, and the great water scheme, which cost us a million of money. The owner of these great rents, particularly at the approximation of the termination of the lease, should be obliged to subscribe somewhat towards the vast local expenditure.

23,754. Is there anything in the nature of Lord Pembroke's property which is peculiar to Lord Pembroke, that makes you instance him?—There is not indeed. I think it was centuries ago that it was a free gift from the Corporation.

23,755. Let me clearly understand what the free gift of the Corporation was—a free gift of land, or of revenue, or of what?—Of land in the city of Dublin which is now the most wealthy portion of the residential part, Merrion Square, and all that portion of Dublin.

23,756. This is land which, however it got into Lord Pembroke's hands, by gift or otherwise, has been let upon building leases, has it not?—That it is.

23,757. What was the bargain that was made between whoever let the land to the builders and the builders?

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on whom was the burden of the rates placed?—I think it is laid upon the occupier, but the landlord, of course, pays his ground rent to the lord of the soil.

23,778. In other words, taking your own description, the lord of the soil, in letting the soil, made a bargain that he was not to pay the rates?—Quite so.

23,779. I do not say that it is conclusive—far from it, because the subject is one which is under the consideration of the Commission—but at any rate you cannot, as far as I see, lay any claim of injustice at Lord Pembroke's door for anything he has done?—No, it is rather that Lord Pembroke has naturally taken advantage.

23,780. How long are the leases?—I find, from reading on the subject, that a great many of the leases run for 20, 30, and 40, and some for 100 years, and were made lately; but my principle is that whenever a secure when leases are falling out, and when there are great expensive works of perpetual permanence—like the main drainage now, which cost us 400,000*l.*, and like the waterworks, which cost us a million—the owners of the ground rents in that locality should pay something to those permanent improvements, which will benefit the property for ever. And, as I say, Lord Pembroke himself has acknowledged that is the township of Pembroke—the township in which he is also the great proprietor, the sole proprietor—he pays of his own motion, without any legal compulsion, I believe, 700*l.* a year towards the drainage charge of Pembroke township, so he has more or less admitted the principle, as you will see in the evidence given on the Towns Commission some years ago, by Mr. Vernon, who is his Lordship's agent.

23,781. I do not want to press you, but as far as I understand your argument, it is because Lord Pembroke has voluntarily given something to somebody else, that he is to give something much more to you?—He has admitted a principle which I think, instead of being voluntary, should be made compulsory.

23,782. Let us take it on that; let us dismiss Lord Pembroke for a moment, and take it on the principle. First, let me understand this—these ground rents are not perpetual, but they are falling out from time to time?—It is likely, yes, I should think so.

23,783. Answering that one of them fell out last year by the effect of time, and a new bargain was made, would you put a rate such as you suggest upon the ground rent that was settled last year, the same as upon one that was settled 20, 30, 40, or 100 years ago?—I take it in this way—whether I am correct or not I do not know—that if the leases are falling out, and a new contract is to be made, Lord Pembroke, or a man in his position, will take advantage of every circumstance that will make that property which he is now able to let again more valuable than it was before. If there was no main drainage, if there was no great water supply, and so on and so, the site upon which a new tenant is going to build would be much less valuable. Here, it may be clearly said, there is a splendid place, well watered, well sewered, everything in splendid order, but when this was originally taken in hand, 150 years ago, there was none of those things; and we will charge you here.

23,784. I do not disagree, for the moment, with that statement as you put it, but I am sure when you see it in print you will be the first to acknowledge that it is not an answer to my question, which was this—assume that a bargain had been made five years ago whereby an owner of the soil obtains a ground rent, and contracts with the person who pays him the ground rent that this other person is to pay all the charges, would you break that bargain in the way which you suggest to us by saying that the owner of that ground rent should now be rated for those works?—I would not break the bargain, but I would suggest that if the permanent improvement was made, and if the tenant was coming to a termination or a likely speedy termination I think then, as a view of the enhanced value of the property, which was enhanced by my expenditure, and is about to fall into the hands of the proprietor, that the proprietor ought to pay something himself towards that.

23,785. Your proposal, as far as I understood you to put it, and as it is in print, is that when a bargain has been made some higher authority is to order between the two people who have made the bargain, and say that one of them shall pay rates which he has contracted that the other man is to pay; I want clearly to have your view upon it?—My view upon

that is this, that if a municipality is going to offer a proprietor or an owner an advantage at their cost for his property which that property had not before, and which will ultimately tend to enhance the value of that property very considerably, even though there is an existing bargain between him and the tenant who wants it, I say that he has got for that property a new amount of value from the municipality towards which he ought to be asked to contribute.

23,786. Perhaps it may be my fault, but I do not quite understand what the justification is for breaking the contract which has been made between the two parties?—I would not break the contract, but I would make the person who is going to get an extra value pay an extra thing. I would leave the tenant and the landlord in the position that they were, jointly together, but I would put an assessment on the ground landlord.

23,787. How does he during the tenure of his bargain get an extra value?—He gets the prospective value.

23,788. But then are you going to tax him now upon the prospective value, which he may die before receiving, because if the bargain is to endure for 50 or 70 years, the existing person who is receiving the rents may be gone before the time comes when any prospective value is actually put into the pocket of his successor?—But the successor in title shall have that value; he will have all the benefit.

23,789. Are you going to take it from the man who is now in possession or from the successor in title?—I would take it from the man who is in possession. Supposing that one of the contractors to the bargain failed; supposing that the tenant were to break down and become a bankrupt, and that that tenant could not pay the ground rent, and that there was a new letting before the expiration of the previous one, then the lord of the soil could come in and say, What has been done —

23,790. Now you see you are putting upon me a good many conditions which are not in the existing price; I thought at the moment we were confining ourselves to existing bargains and not new ones. I think there is something to be said—and you will find a good deal in the evidence given before this Commission—in favour of making these contracts illegal and contrary to public policy, and to the effect that the ground landlord should always pay his share of the rates in order that it may be seen directly that he does pay it, but you will excuse me for saying that that is a different proposal from what I understood you to put forward, namely, that the existing receiver of the ground rents is to have the new rating put upon him?—If the contract has been unfair, or is unfair or unjust or inadmissible, I do not see why that contract should not, as in the case of land, or anything else, be set aside by Parliament if it thought fit.

23,791. There again, I do not really want to get into a controversy with you, but you assume, of course, that the contract is unfair or inexpedient; it is unfair or inexpedient that two people—the man who lets the soil, as you express it, and the man who takes the soil for building purposes—should enter into a contract the one to relieve the other from rates which are to be paid during the currency of that contract?—Of course I do not like to prolong the discussion too long, but I think that if a tenant whose tenure is terminable finds himself ever taxed, extra taxed, by the municipality for benefits, which will come with his outgoing, that he has a right during the existence of the burden of that tax upon him, to be relieved of some of that burden, which will be to the perpetual benefit of his landlord.

23,792. He is the gentleman who has put the municipality in the place is he not?—Yes; there may be a few of them in the locality.

23,793. (Mr. Davies.) Supposing the rates are paid upon a house where there is a ground landlord, and supposing the full rates are paid on the rateable value of that house, do you suggest that somebody else should pay something more in the way of rates?—In the case that I have mentioned the occupier is paying rates on the full rateable value of the house.

23,794. Do you suggest that the landlord should pay something over and above that, in fact, that there should be rates paid for it twice over?—How you would pay them I do not know, but supposing the tenant's power —

Mr. C.
Dawson.
18 Oct. '99

23,776. Here there is a rateable value on a house of a piece of property. The tenant in possession—the occupier, that is—pays for the full rates upon that rateable value. I want to know whether you would suggest that the landlord should pay something over and above that, or in other words, whether they should pay rates twice upon the rateable value of that property?—No. Here is what I want. Supposing there is \$900. value on a house and the tenant is paying a municipal rate at 4s. in the £, supposing we come and say we are going on with the main drainage, we are going on with the water, we are spending a million and a half of money, and your 4s. in the £ for this reason shall be raised to 5s. 6d., I say that the increase should be proportioned between the man who will have a perpetual benefit, the assumed increment, and the man who will have a temporary benefit.

23,775. What has the corporation to do with that—provided they get the rate from the occupier, they get their money?—I think the corporation has a very great right to see that the incidence of taxation is borne according to the capacity and the ability and what ought to be the due liability of those who pay.

23,776. Surely does not the question of rating lie between the occupier and the corporation, or whoever the rateable body is? The occupier and the corporation have got to see that—if they go to great expenditure, which is to be a permanent improvement, it would be an injustice to throw the payment of the whole of that upon the man who shall enjoy it for a short time, while the person who shall enjoy it for ever pays nothing.

23,777. (Mr. Elliot.) Would you give the owner a vote?—I would do nothing that the franchise laws of England do not do.

Half-cents in Dublin.
Exemption from rates.

23,778. (Chairman.) Is there anything else which you have missed, that you would like to speak of?—You have been so indulgent, that I do not think I have missed anything really. There is one thing I do not think we have at all reverted to, that is what are called half-cents in Dublin.

23,779. Do you refer to it in your memorandum?—I do, in paragraph 10. It is a very important element,

there are some portions of property in Dublin that are free from municipal rates. We talked about the rates bounty, the Government bounty; the Government pays to the rate of rates a bounty upon all the property they consider their own, but when the Government hires a place from another person—does not become the proprietor of it, but hires it, this state of things occurs, which I mention in the memorandum. A man has a house in one of the great streets of Dublin, Suffolk Street or Dame Street, or some of those streets, the Government takes the upper portion of that house for a temporary office or a yearly office for the Education Department or for other purposes, the person is down for a valuation of 25s., say, and pays municipal rates on that. The very minute he lets this upper portion he makes the Commissioner of Valuations divide the valuation of 25s. into two sums of 12s. 6d. He turns his own occupancy into a 12s. 6d. one, and he turns round to me and says, this property is hired to the Government, and I will not pay you at all, because this 12s. 6d. is what is called a half-cent, which is not liable to the municipal rates. And so we, the municipality, lose the rates on 12s. 6d., while the man who owns the house is better off by his rent from the Government.

23,780. (Sir John Lubbock.) Is that done under some Statute?—It is a curious thing, but these conditions could not be carried out anywhere else. In Dublin, when I went to appeal to the Commissioner of Valuations, and showed him that we were losing money upon all these half cents he pointed significantly to the footnote of the Act—"This Act shall not extend to the county of the city of Dublin"—that is, the Act providing that all these people shall pay municipal rates. So there seems to have been a conspiracy against the city of Dublin—there really does. He pointed out to me that this Act does not apply to the city of Dublin.

23,781. (Chairman.) Is there any other point which we have not asked you about, which you want to speak of?—There is this, that land given for churches or public buildings, though it pays rent, is put under the half-cent system, and pays no municipal rates whatever.

23,782. Is there any other point?—No, there is not any other.

The witness withdrew.

Adjourned till to-morrow at 11 o'clock.

FIFTY-EIGHTH DAY.

Thursday, 19th October 1899.

At St. Stephen's House, Victoria Embankment, S.W.

PRESENT

THE RIGHT HON. THE LORD BALFOUR OF BURLEIGH, Chairman.

THE RIGHT HON. SIR J. T. HURDIS.

SIR E. W. HAMILTON, K.C.B.

SIR GEORGE H. MURRAY, K.C.B.

C. H. DAWSON, Esq., G.B.

C. A. CHURCH, Esq., Q.C., M.P.

T. H. RALPH, Esq., G.B.

ARTHUR O'CONNOR, Esq., Q.C., M.P.

R. O. SMITH, Esq.

THE RIGHT HON. J. L. WHARTON, M.P.

ARTHUR WILSON FOX, Esq., Secretary.

P. LAKWELLS DAVIES, Esq., Assistant Secretary.

SIR SAMUEL BLACK called and examined.

Sir S.
Black.
19 Oct. '99

The present valuation authority in Ireland is

23,783. (Chairman.) We know that you are Town Clerk of the City of Belfast?—I am.

23,784. How long have you held that office?—For upwards of 20 years. Previous to my becoming the town clerk I was town solicitor for a number of years, and previous to that again, I was a member of the Corporation.

23,785. The first paragraph of the short memorandum* which you have prepared for us touches on the question

of valuation, and after telling us in general terms how the rateable valuation of Ireland is made at the present time, you go on to say that "such valuation made by an independent authority is, in my opinion, the best, and" "gives much trouble to, and complaints of, the local authority."—Such is my opinion.

23,786. Do I understand from that paragraph that you, speaking on behalf of the city of Belfast, are entirely satisfied with the present system?—Absolutely satisfied.

Sir S.
Black.
19 Oct. '99
The present valuation authority in the city of Belfast is an independent authority in the best.

23,787. You are re-valuing Belfast at the present moment, are you not?—Yes. That is owing to the defect in the General Valuation Act, in consequence of which, unless there is some structural improvement, there is no re-valuation. Some of the old houses that were valued, say in 1864, remain at the present time at the old valuation, although their valuation must have increased very largely.

23,788. Who is responsible for that re-valuation at the moment—under whose authority is it being done?—The Commissioners of Valuation, Mr. Barton.

23,789. What control have the Corporation of Belfast over the result?—None whatever, except that we may appeal, if the valuation is unsatisfactory.

23,790. Appeal to whom?—To the recorder.

23,791. How would you appeal?—We should appeal against the re-valuation.

23,792. Just describe to me in your own words precisely what the power of appeal is?—If we found a valuation unsatisfactory we should appeal, but in point of fact we have never exercised the right of doing so.

23,793. I want a little more precise information. If you found "the valuation unsatisfactory" is your expression; do you mean the gross result or the valuation of any particular hereditament?—Merely the valuation of a particular hereditament. We have no appeal against the general result; in fact there is no other corporation or body interested in the general valuation.

23,794. What power, if any, have individual ratepayers of rectifying any grievances which they may have?—Up till the present year they sent in a notice of appeal to the clerk of the union, and he forwarded that to the Government valuator. Now, under the Local Government Act of last session, the notice is sent to me, and I at once make out a list of all the appeals and forward them to the Government valuator.

23,795. The communication to you on behalf of the ratepayer is in writing?—Yes.

23,796. And your communication to the Commissioner of Valuation is also in writing?—Certainly.

23,797. What is the process of deciding upon those appeals?—The Government valuator then has the premises examined and makes his valuation, and if the occupier is dissatisfied with the valuation he can appeal against it.

23,798. To the court?—To the court.

23,799. Then there is not necessarily any meeting between the individual who makes the valuation and the aggrieved ratepayer?—Not necessarily.

23,800. Is there usually, as a matter of practice?—As a matter of practice the Government valuator invariably visits the premises and makes up his mind as to the valuation, and of course discusses the question with the occupier.

23,801. You as a city are perfectly satisfied with that?—Quite so.

23,802. I suppose that answer covers any other which I might naturally have put—for instance, whether you have studied the system of valuation, either in England or Scotland, and whether you have any remarks to make upon it?—I cannot say that I have studied the question so far as England or Scotland is concerned.

23,803. It is upon that valuation that your municipal rates and the poor rates are levied?—It is.

23,804. There seems to be some special local provision for valuing the Harbour Commissioners' property?—Yes. The Harbour Commissioners are a separate corporation having the control of the harbour and the quays. They got special legislation providing for the valuation being made on a special basis, namely, a tonnage rate upon the various vessels, whether foreign or cross-channel, using the quays or harbour.

23,805. You say, I understand, that the result of that legislation is that the Commissioners' property is exempt from poor rates and from the borough rate?—It is.

23,806. What is the amount in the £ of the poor rate and of the borough rate; give me first one and then the other?—The poor rate is 1s. 4d., and the borough rate and the public health rate something like 1s. 1d., I think.

23,807. Is the borough rate so much as 1s. 1d.?—The borough rate is limited to 3d., but we collect them all as one borough rate—the public parks rate, the library rate, and the baths and wash-houses rate.

23,808. So that there may be no mistake hereafter, just give me them separately; what is the exact amount last year of the rate per £ from which you say Harbour Commissioners' property is exempt?—It would be exempt from 1s. 4d. in the £ of poor rates, and it would also be exempt from 3d. in the £ of the borough rate.

23,809. Then, strictly speaking, there is no valuation of the Harbour Commissioners' property?—There is not for local rating purposes.

23,810. They pay a tonnage rate?—Yes, upon the portions of the property are in the hands of tenants, and then the tenants have to pay the ordinary rates.

23,811. Probably you would be good enough to send me copy of the Act under which that exemption exists?—Certainly I will.

23,812. Are there any special features in the rating of Belfast to which you would like to call our attention?—No, I cannot say that there are.

23,813. You deal with them in paragraph 4, 5, and 6, and I do not know whether I need ask you any questions upon these, do you wish to say something about them?—There is a special reference to ratepayers whose premises are valued at and under 5s. They get a discount of 25 per cent. if the rates are paid within a month after the rate is struck. We find that a very great advantage, because it enables the rates to be collected without much difficulty from the landless, and we get prompt payment of them.

23,814. Do you give a discount for that?—A discount of 25 per cent.

23,815. As much as 25 per cent.?—Yes.

23,816. Is that by voluntary arrangement between you and the landlords, or is it compulsory under the provisions of any Act of Parliament?—It is compulsory under the provisions of several local Acts, commencing in 1848, and again in 1865 and 1893.

23,817. These Acts, I should presume, do not run outside the city of Belfast?—They do not.

23,818. I see you say that in the area recently added to the city "a considerable number of farms are in" "chairs," and it is a hardship upon the occupiers "therein that they are not to receive any benefit from" the agricultural grant merely because their farms "are situated within the city boundary"?—Yes, we thought that a great hardship, and still consider it is so. The area of the city was extended largely, and then the Local Government Act came into force, and it provided that in country boroughs or large towns which included rural districts, the occupiers of farms should not receive any benefit from the agricultural grant.

23,819. Are there any provisions under any of your local Acts whereby agricultural land within the rating area of the city, is rated, for any local purpose, upon less than its full rateable value?—No, it is not rated for less than its full value, but it does not pay police rate; it pays the general purposes rate and the borough rate, but not the police rate.

23,820. Sir John Herbert points out that you say in paragraph 8, that under a local Act of 1893 "Domestic" "of 40 acres and upwards are exempt from police rate" "and borough rate"; I do not understand that "domestic," as you use it there is a farm?—No, certainly not.

23,821. You are, perhaps, aware that in some Acts which have been passed, both in England and in Scotland, purely agricultural land, within the boundaries of a city, is rated, in some cases, upon one-fourth only of its value, and for such purposes as public health, and so on?—Yes, we have not that legislation.

23,822. You have no provision corresponding to that?—No.

23,823. But you do think it a hardship that agricultural land within the boundary of a city should be rated for only purposes at its full value?—No; I think it should be rated at its full value, but for special purposes.

Sir S. Stace.

19 Oct. '99

Harbour Commissioners in Belfast, Liverpool, &c.

Discount allowed to Belfast ratepayers in certain cases.

Agricultural land within the borough of Belfast. Rates payable on full value. Not rated in respect of police.

Harbour Commissioners in Belfast, Liverpool, &c.

Notes in the City of Belfast.

Mr S.
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19 Oct. '99

23,834. For instance, you have a lighting rate I suppose?—We have a lighting rate.

23,835. Do you think a farm should be rated at its full occupying value for a lighting rate?—No. It does not pay anything at all for lighting purposes in Belfast.

23,836. Is that mentioned in this memorandum of rates?—It is not, it is only house property that is rated for lighting purposes.

23,837. Then I am afraid I did not perhaps put the question very accurately when I asked you whether there was any provision for relieving agricultural land within the boundary of the city from being rated upon its full value. Would you kindly tell me in your own words what is the precise position of agricultural land within the city as regards the city rates?—Agricultural land is rated to the general purposes rate upon its full value, but it does not pay any police rate whatever, it is only houses that pay our police rate.

23,838. I will take you to paragraph 4 of your memorandum, what is the position of agricultural land as regards the borough rate which is limited to 3d. in the £?—It pays that rate.

23,839. And with regard to the baths and washhouses rate?—It also pays that.

23,840. Do you think that fair?—The occupants get the benefit of the baths if they choose to avail themselves of them.

23,841. What is the baths and washhouses rate?—It is a penny in the £.

23,842. The library rate?—The same.

23,843. It pays that?—Yes.

23,844. And the public parks rate?—Yes.

23,845. And the public health rate?—Yes.

23,846. The police rate, you say it does not pay?—It does not pay that at all.

23,847. It pays the general purposes rate?—Yes.

23,848. Does it pay the special district sewers rates if it happens to be included in the special district?—It does.

23,849. (Mr. Nathan.) Being rated in all these cases on the full value?—On its full value.*

23,850. (Chairman.) Then you tell us that municipal rates are levied by the Corporation, and that the poor rates are levied also by the Corporation, but on a requisition by the guardians?—Yes. Up till last year or the present year the guardians collected their own rate, but under the Local Government Act that duty is now cast upon the Corporation, and the guardians furnish us with a requisition, and we are bound to provide them with the money.

23,851. Your rates, speaking generally, are strike worthy, I understand?—They are.

23,852. Would you describe to us the nature of the arrangements which is made with the occupier who may not occupy during a whole year?—If he comes into occupation during the current year, he starts from the date that he comes into possession. If he leaves during the current year, if he leaves at a quarter day, he is charged up to that quarter day, or if he leaves in the middle of a quarter he is charged to the end of the quarter.

23,853. What is the period of the year at which your rates become payable?—Belfast it has been the 1st January; under the Local Government Act it will now become the 1st April.

23,854. What are the ordinary terms of removal in Belfast?—February, May, August, and November.

23,855. Which are the ones for a yearly tenancy as a rule?—Those are the ones for yearly tenancies; the small occupiers are constantly moving.

23,856. The small occupiers, I suppose, speaking generally, from what you have said us, have their rates paid by the landlord?—In most cases.

23,857. It is the occupier who is a tolerably substantial man, who comes from street to street, perhaps, at times, to sell himself?—Generally the quarter days that I have mentioned are the days of removal.

23,858. Supposing the rate is struck on the 1st April and then becomes payable, and the occupier removes in August, who pays that year's rate?—I am afraid that he would have to pay half a year's rate under the new Act.

23,859. I want, for a special purpose to find out what is the hand that gives it to you—your rate becomes payable in April, and, I suppose, many of the rates are paid in May and June?—Borough too, we have had no case yet of a rate struck in April—it has been struck in January.

23,860. No doubt that is now in a state of transition, I will take it on the past. Your rate has been struck in January?—Yes.

23,861. Then a man is going to move, we will say, I will take the same month, in August. He does not perhaps know it in January, when he comes to you in February, March, or April to pay the rate, does he pay the whole year's rate?—Yes, and then he gets back when he leaves the proportion which he has over-paid.

23,862. How is that managed—does he get it through the landlord, or through the managing agent?—He gets it direct from the town council; we pay it directly to himself; we refund it.

23,863. Do you mean that if a man has paid a whole year's rate and then moves before the end of the year he comes to you to get repayments?—He does. The collector reports to me at town clock that the party has left at such a date, and I then get an endorsement upon the receipt to return so much of this rate that he has paid.

23,864. How far down in divisions of the year do you go in splitting a rate?—A quarter.

23,865. You will not split a quarter?—We will not split a quarter.

23,866. Then the date of the 1st April will suit, presumably, in future as well as the 1st January did in the past for that special arrangement?—Quite so.

23,867. I will ask you one general question—whether you desire to say anything to us on paragraph 15?—I do not want to get into the principles of taxation at all, because my Corporation have some difficulty on that question.

23,868. (Sir John Lubbock.) In that paragraph 15, do you refer to the money received which is paid into the local taxation account?—Yes.

23,869. I was not quite sure of that; with respect to the rates you make—the different rates in the city—are those all collected by the same collectors?—The poor rates are collected by different collectors, but all our rates are collected by the same collectors.

23,870. Are the poor rates collected by men appointed by the guardians, or by you?—Now, by us.

23,871. Therefore, you could make the same man collect the poor rate if you thought proper?—We could have done so, but under the Local Government Act we would have been obliged to position off the rate collectors and get no value for the pensions. We thought it would be more economical to continue them as collectors and give them the same remuneration that they had from the guardians.

23,872. But I presume as they die off or retire you will take your own men?—I think that is more than likely.

23,873. Well that lead to economy, do you suppose?—Yes, I think it would. At present, for instance, our own rates are collected for 1 per cent, whereas we were obliged to give the collectors of the guardians 3½ per cent, I think, for their collection.

23,874. With respect to the valuation question, is there much government property in Belfast?—Yes, a considerable amount. We have never complained of the valuation of it.

23,875. Do you think they give a fair contribution?—I think they give a fair contribution.

23,876. In paragraph 14 you refer to there being a quantity of old and unimportant property which remains on the old valuation, would that apply to a very large part of the old portion of Belfast?—It would apply to a very considerable portion.

23,877. How is it that you have been satisfied for so long to go without applying for fresh portions of valuation?—Previously to the passing of the Local Government Act there was great difficulty in obtaining a valuation. The borough was situated in two counties, and we were obliged to get not only the county of Antrim, but also the county of Down to consent to a general valuation before we could obtain it.

Mr S.
Black.
19 Oct. '99

Collection
of rates
Belfast
System

Government
property in
Belfast.
A fair
contribution
from rate
in respect
of it. The
valuation
of Belfast
difficult to
obtain before
the passing
of the Local
Government
Act. A
valuation
is now
being
arranged
out.

23,868. And you never have succeeded?—We tried to get it, but could not succeed.

23,869. But now you are a county of your own?—Now we are a county borough to ourselves, and can apply for it.

23,870. You are one of the county boroughs appointed by the Local Government Act; does that give you any additional powers, which you had not before?—We would have a lord lieutenant of the county, a sheriff, and separate assizes, had a different staff altogether, which we had not before.

23,871. With respect to the contribution, from the local taxation grants, does that give you now power over your own share?—Certainly.

23,872. You had not before that same power, had you?—Yes. We never had any difficulty; the money was paid direct previously to the treasurer of the corporation, and will continue to be so.

23,873. You were treated then as a county borough in that respect at least; it would be so described in England?—We were treated as a borough, not as a county borough.

23,874. Were all the boroughs in Ireland treated in the same way?—I think so.

23,875. I presume you have made a contract for this new valuation, or the Government have made a contract for this new valuation of Belfast. Is the contract standing, or not?—We have not made a contract at all, because the Treasury insisted that whatever the cost was we should pay the half of it.

23,876. Is the valuation going on without any contract?—We cannot make one.

23,877. But is there not a contract on the part of the State?—That I cannot say. The Government valuator told me that he expected the cost would be from 10,000 to 12,000.

23,878. Perhaps it may be well worth the money?—We think so. The Treasury are not too liberal in these respects; I expect they look after that.

23,879. With reference to this allowance of discount, are the landlords rated upon these small houses direct?—They are, but they cannot be so rated in future, for the borough rate and other rates under the Public Acts. The Local Government Act enables the corporation, by resolution passed by the necessary majority, I think it is two-thirds, to collect their own rates as heretofore. The finance committee of the corporation have, within the last few days, passed a resolution recommending the council to adopt that provision.

23,880. As I understand it, your reply to the Chairman was that you are satisfied with the present system so long as you can have the proportion retained?—Yes. I think it is the best system that can be devised for Ireland.

23,881. (Mr. Cripps.) You said farm lands—agricultural lands—are entirely exempt from the police rate, which is numbered 6 in paragraph 4 of your memorandum?—Yes, all lands, and even building sites or anything of that sort. The police rate only applies to house property.

23,882. Have you got paragraph 4 of your memorandum before you?—Yes.

23,883. Could you tell me what the police rate is in the 2 as compared with rates Nos. 1, 2, 3, 4, 5, and 7?—The police rate during the present year is 1s. 3d. in the £ on all property over 20s. valuation, and 2d. and under it is only the half of that.

23,884. Yes, I notice that; could you tell me what it is—take the same period—for Nos. 1, 2, 3, 4, 5, and 7?—The police rate, in round figures, would be about a third of the rates.

23,885. About a third of the whole?—Yes.

23,886. Therefore, so far as a third of the whole of the rates, there is exemption for other unoccupied land or farm land?—Certainly.

23,887. In your view, is that not a sufficient exemption for all purposes?—Yes, I think it is a fair exemption.

23,888. There is one other question you have mentioned I want to ask you about, that is about the Harbour Commissioners. Are there any other cases you know in Ireland where there is a special form of assessment applicable to public property like that of the Harbour Commissioners?—That I do not know.

23,889. You do not know that?—No. It is under our own Acts they have got the exemption, except so far as the poor rates are concerned, and for the poor rates it is under the general Act.

23,890. Do you mean that they are assessed on two assessments, one for the poor rate and one for other purposes?—They are not assessed for poor rates at all.

23,891. They are not assessed for the poor rate or for the borough rate?—Yes. In consequence of their not being assessed for poor rates we cannot charge them with the borough rate.

23,892. I do not want to go into details, as we can look at the Act itself. You have told us that the assessment is on the tonnage basis?—Yes, I have the particulars here if you wish to see them.

23,893. Do you consider that is a satisfactory form of assessing property like that which is held by the Harbour Commissioners?—It is a very considerable advantage to the Commissioners and a loss to the corporation. They pay much less; but on the other hand they light their own quays and cleanse them.

23,894. They do light and cleanse their own quays?—Yes.

23,895. Do they police the docks too?—To a large extent they do.

23,896. Therefore for lighting and cleansing, and to a large extent policing, they perform their own public duties?—They do. They are rather exclusive in those ideas, and do not wish the corporation to interfere with them in any way.

23,897. I suppose they pay their own expenses for these public matters, and do not contribute to the corporation—that is what it comes to?—They contribute less to the corporation.

23,898. In dealing with bodies such as the Harbour Commissioners we know there is a great deal of difficulty in assessing them; do you consider that the principle of an assessment derived from a tonnage rate is a fair way and a satisfactory way?—Yes, I think so. It works very well in Belfast, at all events. It is a fair thing.

23,899. It has worked well, you say?—Yes; it has worked well.

23,900. (Mr. Elliott.) In paragraph 2 of your memorandum you say that "Under the Public Health Act, railways, canals, the waterways of docks, and lands mentioned in section 224 of that Act are only rated on one-fourth of their valuation." What are these lands?—Land held for public purposes, and out of which a head rent is payable.

23,901. Does not the differential valuation referred to relate to agricultural land?—Yes, the valuation relates to all land.

23,902. I mean the principle of rating on one-fourth?—The Government valuator returns to us the full amount, and says exempt under the Act, and only liable to the fourth.

23,903. Is any expenditure incurred by the corporation under the Public Health Act?—Yes.

23,904. Is that the expenditure which is computed in the public health rate?—Yes.

23,905. Then I do not quite understand why the public health rate is not levied on these lands at one-fourth of their value?—It virtually is levied at one-fourth.

23,906. When you say "virtually," what do you mean?—I mean the Act provides that it may be levied at one-fourth of the valuation.

23,907. May I put it in this way? You have a farm in the borough of Belfast which the Commissioners of Valuation value, say, at 400s., and you have a public health rate—now on what value would the rate be levied?—On the full value.

23,908. On the 400s.?—Yes.

23,909. A full rate on the full value?—Yes.

23,910. Then I do not quite understand the consistency of this statement as regards the effect of the Public Health Act?—It is not lands generally, it is only the lands mentioned in section 224.

23,911. Then the lands mentioned in section 224 of the Act do not include purely agricultural lands?—Certainly not.*

* See Q. 23,908-75.

Mr. A. Mack.
19 Oct. '99

23,922. I am afraid you will think that I am very ignorant, but will you tell me what a demesne is?—At present that question is under discussion in the law courts in Dublin. We have a large number of gentlemen's residences within the borough with 40 acres of land attached, and they claim that they should not pay any tax upon these at all as they are demesnes. The corporation contend that they are not demesnes at all, but simply villa residences. We had the question before the magistrate lately, and the magistrate has given us a decree for our rates upon these so-called demesnes and villa residences, but a case has been stated for the opinion of the Higher Court, and it will likely be decided in the month of November whether they come within the exemption in the Act or not.

23,923. It is under that exemption that agricultural land is such oblige the exemption from this police and borough rate?—No, certainly not. The demesne is a special exemption under a local Act of the year 1823 which exempted demesnes of 40 acres and upwards. I could give you the Act if you wish to see it.

23,924. Can you suggest to me any reason why villa residences with a large park around them should be exempt from the police rate and the borough rate?—On the contrary, I think they should not.

23,925. (Mr. O'Brien.) When you said a local Act, did you mean a local Belfast Act?—Yes. I can show you the section if you like.

23,926. (Mr. Smith.) I see that you have got a large number of limitations on the amount of your rates. Have you ever found that any inconvenience?—Yes, at times we have found it very inconvenient, but so far as the police rate is concerned, we have double the powers that we exercise.

23,927. Is there any case in which you have been obliged to go to Parliament to remove limitations on the amount of rates?—Yes, last year we had to go, to remove a limitation as far as the library rate was concerned. We were limited by the general Act to 1d. in the £, and I got that extended to 2d.

23,928. Not an unlimited rate?—No.

23,929. You know that there have been many precedents for an unlimited rate?—Yes.

23,930. I presume that, whether the 40-acre gentleman is entitled to call their grounds demesnes or not, they only claim exemption so far as the land is concerned?—That is all.

23,931. They would pay on their houses?—Yes.

23,932. Have you found any inaccuracies from the collection of the poor rate being put upon the municipal authorities?—I can scarcely say, for we have very little experience of it. We only struck the rate in the month of August, so that it is just now in course of collection. I am sure, however, that the collection of it from the occupiers will cause a heavy loss of rate to the general ratepayers.

23,933. That would be the case whatever was the collecting hand, probably?—Certainly, if they had to collect from the occupier.

23,934. Have you no system of compensating, beyond what you have described?—None whatever.

23,935. Have you a very fluctuating population?—Yes, they are constantly changing their houses.

23,936. Is there no compensating beyond the allowance and discount that you have described?—None whatever.

23,937. So that you have to collect the rate from the occupier of a house of any size?—No, we have powers to collect our municipal rates—that is the police and general purposes rates—from the landlords, by passing a special resolution to that effect.

23,938. But the poor rate?—In regard to the poor rate we have no power; we must go to the occupier.

23,939. And then there may be instances in which you are collecting from the owner for your own municipal rate where you may have to collect from the occupier for the poor rate?—Certainly, unless the landlord voluntarily comes forward and pays.

23,940. That strikes me as an extraordinary state of things?—That is so.

23,941. How long do you anticipate it will take to make your new valuation?—I am satisfied it will be all made next year.

23,932. Would you mind telling us what the population of Belfast is?—I calculate it at present to be about 360,000.

23,933. And the area?—I think upwards of 10,000 acres.

23,934. (Mr. Deffen.) What expenses are payable out of your borough rate?—The town clerk's salary, for instance, the cost of municipal elections, and the general expenses of the corporation—similar to what is provided for by the Municipal Corporations Act of 1835 and the Acts amending it.

23,935. Why was the borough rate limited to 3d. in the £?—It seems a very absurd thing, but that is the provision in the Municipal Corporations Act.

23,936. It is under the general law?—Yes, where you have a separate Quarter Sessions of the Peace, as we have in Belfast, the borough rate can only be 3d. in the £, in other places it may be much more.

23,937. Why did your police rate have such a very large limit 3s. 4d. in the £?—It was before my time that it was fixed.

23,938. You have never required to go to that, I suppose?—At one time we were up to 3s. It is now only 1s. 8d., and has been so low as 1s. 4d.

23,939. Do you object altogether to the system of limiting the rate, or do you think that it conduces to economy?—Personally, I like the limit.

23,940. You say that in the area added to the city, a considerable number of farms are included, so what ground were they included in the city boundary when extending it?—We wished to extend the city as, in addition to the farms, there were a large number of villa and other residences that required to be brought in; the farms had to come in with them.

23,941. They are not in the nature of building land in any way, I suppose?—Not at present, but I have no doubt at all that Belfast will progress, and that they will become building land.

23,942. (Sir George Murray.) What you call a police rate is not a very accurate description of it, is it?—It goes to the payment of the police and a number of other things—lighting, for instance.

23,943. What proportion of it goes to the police?—I think not more than a fourth.

23,944. Is it as much as a fourth?—Yes, I think it is about a fourth.

23,945. What do you do with the proceeds of that part of the police rate?—So far as the police are concerned we pay the Government their portion; they certify the amount that we are liable for, and we pay it to them.

23,946. How do they arrive at the amount that you are liable for?—I think it is a fixed charge per man.

23,947. Without reference to valuation?—Not at all. They give us a certain number of the Royal Irish Constabulary free. And for the rest of them they charge us half the normal cost, and, I think, under the general Acts relating to the constabulary that is a fixed price per man.

23,948. What proportion of the total police expenditure do you imagine comes out of the rates?—I think we pay about 15,000, to 16,000, a year out of the rates to the constabulary fund, but we certainly in that respect have very considerable advantages in the way of getting a large number of men. If we had to pay the police ourselves we would have to pay very much more than that for the same number of men, but I fancy that we would make them do a great deal more work than they have to do, as members of the Royal Irish Constabulary.

23,949. Would you reduce the numbers, do you expect?—I think so. At present they only do from five to six hours' duty in the day. I have represented once and over again to the constabulary authorities that they do not do enough duty, and the allegation always is—the Royal Irish Constabulary are always on duty; it is different from the cases in England, for there, when a man leaves off his uniform he is in his own manner, but with us, they must always consider themselves on duty, and may be called out at any moment.

23,950. Still, it would cost you more than the 15,000, or 16,000, a year?—I have no doubt at all that it would.

23,951. Are you going to pass that special resolution that you mentioned, for collecting borough rates?—Not the borough rates, but the police and general

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proportion rate. The Finance Committee have recommended it to the Council, and I have no doubt at all that it will be passed.

23,932. Will that leave only the poor rate collectable from the occupier?—The poor rate, the borough rate, the baths and washhouse rate, the library rate, the public parks rate, and the public health rate will have to continue to be collected from the occupier.

23,933. Have you calculated at all what the loss will be?—No, we have no experience yet to guide us. We are satisfied that it will be considerable.

23,934. Do you happen to know how the Harbour Commissioners' property is valued for income tax?—I fancy on their receipts, in the same way as the corporation's. We have to pay on our receipts. We furnish annually to the collector of income tax the accounts, and he then assesses us upon the amount of our receipts.

23,935. That would be Schedule D?—Yes.

23,936. What about Schedule A?—Any lands, of course, would be under it, but we have no lands.

23,937. No, but the Harbour Commissioners have, I suppose?—They have some, but I do not know how they manage.

23,938. (Mr. Wharton) I have only one question, Sir Samuel, and that is on paragraph 8. "Under the Local Act of 1853 demands of 30 acres and upwards are exempt from police rate and borough rate." Does that clause discriminate than in Belfast, do you know, in Ireland?—I think not; I think it is a local Act applicable to Belfast alone.

23,939. Limited to Belfast?—Yes.

23,940. Can you tell me under what circumstances that Act was passed?—It is rather remarkable?—My memory goes back to it. There was a collector in the town then who had what he called a demesne of upwards of 40 acres, and he opposed the Bill in Parliament, and succeeded in getting that clause introduced.

23,941. As a matter of fact, does that not exempt probably many of those who are best able to pay rates within your limits?—Not many, but it certainly exempts some, and the corporation are trying now under my advice to make them all liable.

23,942. I mean, generally speaking, those who are overpaid are men who are more capable probably of paying the rates than others?—Certainly.

23,943. (Mr. Elliott) Have any of them ever required to be rated?—Not a soul.

23,944. (Wharton) Following on three questions which Mr. Wharton has put, I think I ought to say that your system of differential rating is going to be attacked by one of the witnesses. I see you set out the exact state of matters at the present time in paragraph 4, and I will not take you over it. The suggestion which is going to be made to me about it is that it is unequal finance, and that it tends to create, and has, in fact, created "two classes of citizens who are not equally interested in the amount of the rates levied, and who find it difficult to act together in any steps necessary to protect themselves in local administration," and that in these circumstances it works for evil. Now what have you to say on that?—I do not think it has that effect, but I am strongly of opinion that as a sound principle of finance each man should pay his rate upon the valuation of his property.

23,945. Therefore you do not support the system as it at present exists?—I do not, and never would have started it. I only found it existing in Belfast before the corporation was formed of all.

23,946. Do you speak for the corporation in giving that opinion—would they willingly see it abolished?—I could not say that. The owners of small house property, and there is a very large quantity of that in Belfast, would strongly object.

23,947. Has it been made recently the subject of much public discussion, or has it been made a hot issue at elections on anything of that sort?—Certainly not. It has gone on long that it is treated as a matter of course, and it has not been made a test question at all at elections.

23,948. Have there been any discussions upon it in the House of Commons?—Very few indeed. There has been very little said about it.

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23,949. (Mr. Gifford) You refer in your paragraph 3 to section 266 of the Public Health Act, Ireland. I have sent for it, and I have it before me now, and I see the exemption, according to the terms of the Act, does apply to arable, meadow, or pasture land, as well as to crofts, and so on?—I had really forgotten the exact words.

23,950. Will you just look at it?—No; I remember that you are quite right now that you have drawn my attention to it.

23,951. (Mr. Arthur O'Connor) Do you know the history of the development of Belfast? I suppose you do?—I am pretty familiar with it since the year 1848.

23,952. Is there any distinction to be drawn between one portion of this area, and on other portion in respect of long leases?—No.

23,953. Did not the Marquis of Downpatrick, towards the end of last century, give—what was national at the time—very long leases?—About the year 1825 I think he gave long leases, and certainly I think that has tended to the improvement of Belfast. The leases were principally granted for a term that was then common, and known as three lives, renewable for ever. When a life dropped, on payment of a small fee, say, 12. 6s., the tenant had the right to renew. An Act then was passed enabling all these leases to be converted into the term grants.

23,954. Was not the result of that system of long leases in that particular area to induce men to sink capital which otherwise they would not have sunk?—I have no doubt that it tended to the improvement of Belfast, and to the building of houses property that would not have been built upon short leases.

23,955. Is not that one of the principal elements which have gone to assist the development?—It very likely has helped.

23,956. The security of capital on a safe tenure?—Yes; I have no doubt it helped.

23,957. What proportion of Belfast is under that system?—I think you may take it that, substantially, the whole of Belfast is.

23,958. In that respect Belfast differs from the great majority of the towns, large and small, of Ireland?—I have not much experience elsewhere of the leases, and I do not know what leases are granted elsewhere. I have heard it complained of, for instance, that Derry had not that advantage in former times.

23,959. At any rate, you regard it as a very important element in the development of the valuable value of Belfast?—I think it was a very important element.

23,960. What is your opinion of the existing valuation?—I do not want to take you over any ground that has already been covered by the Commission. Do you think the existing valuation at all represents the real value?—I think it is too low at present.

23,961. By what per centage would you say, taking a rough average?—15 to 20 per cent.

23,962. Not more than that?—Not on the whole, but in many instances I think it should be increased perhaps by 100 per cent.

23,963. Would you distinguish between different areas within the boundary of Belfast in respect of disparity between valuation and value?—In the centre of the city of course the valuation has increased by leaps and bounds.

23,964. The values have increased?—Yes, there; but in the outer area of course it has not increased so very much.

23,965. That is to say in the most valuable part of Belfast the disparity is the greatest?—Yes.

23,966. Does that not involve a very serious loss to the great body of the ratepayers?—Certainly, but we are doing our best to get that remedied, and have been doing so for years.

23,967. If then it is said that the system of differential between those above 200 a year valuation and those below 200, a year causes so unfair a distinction, would you say on the other hand that the owners of the largest property in the most valuable portion of the town are precisely those who are most undervalued?—I think the occupiers of certain business premises are decidedly undervalued.

No 8.
Belfast.
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19 Oct., '99

Landlord system in Belfast.
Long leases have tended to assist the development of the town.

Existing valuation in Belfast too low by 15 to 20 per cent.

Mr S.
Black.
19 Oct. '99

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When the
landlord
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23,988. Now with regard to those who hold property under 200 valuation; is not the fact that the landlord pays the rates presumably taken into account in the amount of the rent?—The landlord does not pay the rates in a valuation under 200, as a rule; he simply pays under 200 a year.

23,989. That was my mistake; do you not think that the fact that he pays the rates on those low amounts is taken into account in the rent?—Do you mean in the rent that he receives from the occupying tenants?

23,990. In the rent that he receives from occupying

tenants?—No doubt it would be taken into account, but it does not form much of an element.

23,991. Much or little, it is taken into account, presumably?—Yes.

23,992. At any rate, in the long run?—In the long run he would have to take it into account.

23,993. So that ultimately, whatever may be the form of recovery, it is the tenant who pays indirectly the rates out of the rent he pays?—Yes, but he does not feel the payment if the landlord pays it.

23,994. It is not a question of whether he feels it—he pays it?—Yes.

The witness withdrew.

Mr T.
McGovern.

Mr. THOMAS MCGOVERN called and examined.

23,995. (Chairman.) I understand you are magistrates for the county of Caron, a member of the Caron County Council, deputy vice-chairman of the Enniskillen Board of Guardians, and a district councillor for two unions?—Yes.

23,996. You have been good enough to attend here to-day upon the invitation of the Commission to give us information?—Yes.

23,997. Your name, I may mention, was suggested to us by one of our members. I think you, in the first instance, wished to speak upon what you describe as the unfair proportion of local taxes levied off land as compared with all other kinds of property?—Yes.

23,998. Would you explain to us if you please, in your own words, what you wish to say?—The local taxes in Ireland are, generally speaking, the poor rate and the county cess, which have now been amalgamated by the Local Government Act. Of course that Act has abolished the incidence of taxation, but not to the extent required. Roughly speaking the farmers of Ireland pay three-fourths of all the money received for local taxation; that three-fourths of the taxes for local taxation purposes, that is for poor rate and county cess, have been heretofore raised off land.

23,999. (Mr. Arthur O'Connor.) By land, do you mean agricultural land?—Yes, and the houses attached to agricultural land. Then I consider an unfair proportion, as they are the poorest class in the community. I beg to point out that if the Local Government Act has given them partial relief by the agricultural grant, it has on the other hand put the cost of sanitary works—which was heretofore borne by the districts which were affected (that is by the towns)—on the land which was charged now for either the town or the dispensary district. The change under the Local Government Act is made by an order of the Local Government Board. Heretofore the parishes, where sanitary work was committed, which was generally in the villages and towns, was that the districts which benefited by these works had to bear the cost of the construction of these works. Now by a recent order of the Local Government Board they have changed the area of taxation, and they have made them either a town charge or what they call a dispensary district charge; they have not confined it to the localities or to the area benefited. So that in that respect it has put more taxes upon the agricultural portion of the community.

24,000. (Chairman.) Will you kindly connect that for me with the first point to which you said you wished to speak, namely, that the local taxes taken from land were an unfair proportion as compared with other kinds of property?—We have scarcely any other kind of property in Ireland except land. We are in a different position to what you are in England and Scotland.

24,001. When you speak of land you have explained in answer to Mr. O'Connor that you mean agricultural land?—Yes.

24,002. Then I understood you to say that agricultural land pays an unfair proportion of local taxes?—So I consider.

24,003. And you still think it is so under the provisions of the Local Government Act?—Yes.

24,004. Will you carry it a little further and tell us of any proposal that you would make for the alteration of that?—I will make proposals further on.

24,005. Very good. I understand that you wish also to speak to the Commission on the subject of the taxation of mountains and waste lands used for the

preservation of game, rivers used for fishing, or the preservation and rearing of fish, and upon quarries and mines?—Yes, I think if some of the taxation was put upon these things that would go to remedy what I complained of with regard to agricultural land. I know mountains that actually pay no rates in local taxes, and I have known them to be let for shooting purposes for 1000 a year, or 500 a year, or 200 a year.

24,006. Just explain to me, for I am afraid I do not know it, what is the precise position at the moment of mountains and waste lands; do they appear at all in the valuation?—They appear upon the rate books merely as mountain and waste land, and there is no actual value put upon them.

24,007. Is it your suggestion that if they are let and a revenue is derived from them that they ought to be rated upon the amount of the revenue which is derived from them?—Whether they are let or not, I think they should be rated for what they would let at, if they were let. A great many of the gentlemen keep these mountains for shooting purposes and they contribute nothing to the rates. I think they should contribute something to the rates.

24,008. Perhaps I did not put it quite generally enough, your suggestion is that the class of property should be rated according to its value, whether let or unlet?—Exactly.

24,009. If it is let you would take the rent as a test; if it is not let, you would have a valuation of it—that is your meaning?—That is it, exactly.

24,010. (Mr. Arthur O'Connor.) That means that the existing valuation is incomplete in respect to these?—There is no valuation at all upon a great many mountains and waste places used for shooting purposes in Ireland.

24,011. (Chairman.) Do you apply the same principles to those which are valuable for fishing purposes?—The very same.

24,012. What do you say as to quarries and mines?—They also should be valued; but unfortunately we have very few mines.

24,013. Have you any experience yourself of the rating of quarries and mines; do they appear now in Griffith's valuation?—No. The local board of guardians would have power, but often the local collectors neglect that duty of reporting them to the Commissioner of Valuation, who would put a value on them.

24,014. Supposing I was an owner of a stone quarry in Ireland, would I escape rating on the value of that quarry?—Yes, at present.

24,015. Altogether?—Altogether.

24,016. (Mr. George Keegan.) By law?—No. There is very little rating upon quarries in Ireland, but the law provides for it. The occupier is entitled to pay rates, but the owner would escape.

24,017. (Chairman.) I suppose it seems to this that if the quarry was not open at the time of Griffith's valuation it would not appear in it?—No; unless it has been worked since, it would not appear at all.

24,018. Assume for a moment that it has been worked since, then how does a quarry appear in the rate book?—I have a good deal of experience, and I have never seen a quarry rated yet, but it would appear, I presume, like any other rating. They would show the occupier—the man who works the quarry—the name of it, and they would show the immediate lessor.

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Mr T.
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24,018. Putting it shortly, your point is that the quarry should take its fair share of the rating, whatever that fair share may be?—Yes, that is it.

24,019. You would, I suppose, recognise this, would you not; that a quarry or a mine is in some respects different from agricultural land, in the respect that the revenue which is produced from the quarry can only be got by using up the whole estate—in fact, so to speak, selling it by detail?—That is so, but in regard to the revenue derived from land you must work it too as well as the quarry.

24,020. You think they are exactly the same?—I think it should follow the same principle.

24,021. I will not take it further. Then, again, you wish to speak to us as to the taxation of public companies of every description carrying on business in the several localities in which they have branches or agencies?—Yes, I consider that is an important matter.

24,022. Could you give me an instance of what you mean?—We will take the case of banks at first. All the banks have branches in every principal town, and they have agencies also out in the small villages through the country. These banks pay actually only what they have a house, where they have a permanent branch, and they pay merely on the valuation of the house. I say that every banking company and every public company also should contribute towards the local taxes of that district, because they get all the benefits of the improvements which are made by the other taxpayers in that district; they have the roads, they use them and the water, and every other thing, and they get the benefit of the public health expenditure. I think that while contributing to the Imperial taxation of the country, they should also contribute to the local taxes.

24,023. Is a bank, do you think, different from a merchant who carries on business, a retail tradesman, for instance?—Yes, a merchant who carries on his own business has to spend money actually in carrying on his business. The banks or public companies spend very little. I think that the principle of taxation should be applied to public companies in regard to the profits that would be derived from the district as well as for Imperial purposes.

24,024. You want to tax a public company on its profits?—Yes.

24,025. And you want to do that in each locality?—Yes.

24,026. Are you going to say how much profit a bank makes from its branch in any particular locality?—I would say that they should be bound to furnish a return from each branch for the purposes of taxation. They show the money out of the district; they make this profit out of the people of the district, and they do nothing for the district.

24,027. Supposing a joint stock bank, with its head office either in Dublin or Belfast, has a number of branches about the country, and it collects deposits in the district, and these deposits are the foundation of the money which the bank trades, and which it lends at its head office we will say; have you any scheme by which you can localise the profits which is made, or show the profits that is made in Cavan rather than in Belfast?—I presume every branch has to keep a separate account.

24,028. I suppose they may?—And of course they have a profit upon the deposits, because they give only 1 per cent. upon deposits, and they actually charge 5 or 6, or 7 or 8 per cent., perhaps, if they discount a bill for a poor man.

24,029. When a bank gets, we will say, perhaps 1,000,000, of deposits in Belfast, collected from 20 or 30 different branches, how are you going to say that the 30,000, which is deposited in Cavan is the 30,000, which is lent at 3 per cent. or 4 per cent. or 5 per cent. when you get to Belfast?—I would treat every branch as a separate unit; their accounts show the profits they make each half year at those branches.

24,030. But not from each branch do they?—Yes.

24,031. Have you ever seen a copy of a banking account which shows the profits made separately at each branch?—No, but I presume each manager has to keep a separate account of his transactions; I have not seen it.

24,032. You will not mind if I say that I am a banker, and I do not think you are?—You are quite right, I am not.

24,033. I will not cover it any further, but we will take your suggestion. Then you make some suggestions to us about the taxation of shops, dealers, and commercial travellers, by imposing a licence on persons selling tea, sugar, tobacco, and whisky?—Yes, I think that is an important thing too.

24,034. Will you give your suggestion to us in your own words?—I consider that shops and shopkeepers should contribute more to the local taxes than they do at present. There should be a licence of at least 3d. a year on every person selling tea or tobacco, and 10s. on every person selling whisky and wine, in fact of what they pay at present. Of course under the local Government Act we will be getting the licence duty now that is paid by publicans and a number of other people, heretofore it was not the case. I think that the licence duty is too low, and that it would be a great means of getting the sale of liquor in Ireland to get a heavier licence upon parties selling whisky or wine.

24,035. How are you going to levy a tax, we will say, on a commercial traveller?—By the way at present. They issue a licence to them. Let them have a licence to a commercial traveller in every county to sell, as they do to customers and other people—a 10s. licence we will say—and that will enable him to trade in that county.

24,036. A commercial traveller who travels for a firm in Dublin or London, or it might be in Glasgow, may occasionally—I do not say that he does, but he might occasionally go into every county in Ireland in the course of a year?—Whether it should be confined to one county, or whether you should give him a general licence, I would not be prepared to give an opinion; but I do think that these men should pay 10s. at least, either in one county or all over Ireland. It would be very small, and I think that 10s. all over Ireland would not be too small for a commercial traveller. They are a very important class of people, and take a lot of money out of the country, and they never contribute anything to the local taxes of the district.

24,037. Is there anything more upon that head that you would like to say to us?—Yes. Then there are a lot of small shopkeepers, and I think they are a curse to the country, selling tea and things like that. It would be better for them to devote their attention to other things. By putting a small licence on them you get rid of them. The same thing applies especially to tea men. We have a number of people who go about selling tea—podars, and I think they are a curse to the country. They sell bad tea and they pay nothing, they keep houses and cars, and they never pay anything, they use our roads and they never pay anything at all towards keeping them up, or towards any of the local taxes.

24,038. A tax upon the car that they use—a wheel tax, for example, would meet your view there, would it not?—No, I would prefer the duty. A man might be using a car who would not be making anything out of it in the way of trade.

24,039. Your next point deals with a very large and a very complicated subject, which has puzzled many wise men, and I should like you, if you would be kind enough to do so, to give us the suggestion which you make in regard to it. I do not think it is a very easy one, but I should like to hear what you have to say about the taxation of rents, dividends, salaries, and incomes of every description?—I consider that landlords should contribute or pay one half the local taxes, that is, poor rates and sanitary rates, which are now levied as one rate. The entire cost of making roads in Ireland was heretofore borne by the tenant or occupier. These roads have had the effect of improving the districts through which they were made, consequently the landlords were able to get a higher rent for the farms, and in fixing fair rents the Land Commissioners always took into consideration the road accommodation of a farm.

24,040. You include rather more than rents there; you want to tax the dividends?—Yes, I will come on to that; I think when the landlords reap the benefit of these improvements they should contribute something to the cost.

Mr. T. McGovern

19 Oct, '99

Shops and commercial travellers.
Suggestion as to taxing.

Land-owners should contribute one-half of certain rates.

Mr. T. McCreery
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19 Oct. '99

Personal property, Dividends, salaries, and incomes should be assessed to local rates. Difficulties of this proposal discussed.

24,041. I should like to put one question as to that; is this tax on dividends, salaries, and incomes to be levied and collected locally or by a central authority and given then to the locality?—I would tax the man in the locality he was living in.

24,042. Supposing I lived in three different localities in the course of a year which would you tax me in?—I think if you pay the same in one place you should not be asked to pay them in another. The receipt for the taxes that you pay in one place or district would be quite sufficient to prevent you being asked for them in another district. Then the question of taxing ground rents has been up a good deal, but we have very little of that in Ireland compared with England and Scotland. Instead of that we have a far greater evil—absenteeism. We have a number of landlords that derive large incomes from the country that never live in the country, and never spend any of their money in it, and never contribute anything to the local taxation. I think that is a misfortune. It is like taking the blood out of a man and never giving him anything to improve his position. These gentlemen—or those people—take away the money, and they never contribute anything to us, and gentlemen who live in the country, or people who live in the country, have to pay these taxes. I think that it is but fair that they should pay a bit of their share. This is not a question of to-day or next year; it has been a question for the last hundred years in the country. Dean Swift wrote some of his best letters in condemnation of this question of absenteeism. I think it is an important thing, because it is only reasonable that when a man takes so much out of a country he should pay something to it, and not take all away. That is what impoverishes the country, I believe.

24,043. Is there any other point which I have not mentioned that you would like to bring before us?—No, there is nothing more except the valuation. I think the present valuation is antiquated.

24,044. (Mr. John Hubert) You stated at first that there is no valuation of sporting rights now?—No, there is not.

24,045. Is that the case; is there no law with respect to it, is it the fault of the law, or is it the fault of the Government valuator?—You cannot tax them.

24,046. Do you mean that the law does not provide any means of valuing sporting rights?—No, the law will only allow you in Ireland to value property that has been increased in value by buildings. There is no provision in the Act, I believe, to put a new valuation upon land of any description.

24,047. I suppose you are aware that in England there is power to value sporting rights?—They pay nothing for sporting rights; sporting rights do not contribute at all to local taxation with us.

24,048. You have been so very, I will not say careless, but you have been so lax in getting a better system of valuation that you suffer in that way from the law?—Yes, we suffer from the law, and we suffer from a great many things.

24,049. That is the case with the sporting rights. Then with respect to quarries and mines, is there no power in the Irish law to rate quarries and mines?—Yes, there is, I believe.

24,050. Are you aware whether in any part of the country such property as quarries and mines is valued?—They are not valued as highly as they ought to value them.

24,051. Then your complaint is that they are not valued to the extent that they ought to be?—Yes.

24,052. Not that they are not valued at all, but that they are not valued sufficiently?—Not sufficiently.

24,053. Are the fishing rights valued at all?—They are not valued at all.

24,054. In some cases these are very valuable, I presume?—Yes. Now I will give you an instance: There is the local fishery in the part of the country I come from, the Erne fishery district. I presume it is worth £5,000 a year at least. They are the rivers in our part of the country for spawning and preserving of salmon, and yet they never contribute a shilling to the rates.

24,055. Who provides the watchmen in these cases?—Oh, the constabulary and the owners, of course; but

then, after all, I think they ought to contribute to the local taxation of the country.

24,056. With respect to the taxation of public companies, is it your complaint there that they are not rated or valued sufficiently high, and you wish to have it placed upon a different principle?—I wish to tax them upon a different principle altogether; I wish to tax them upon their profit in the localities in which they operate.

24,057. With respect to the railways, have you anything to say?—No, the same observations would apply to railways that apply to banks.

24,058. Do you complain of the way in which the railways are valued now—are they not rated or valued sufficiently high?—The buildings are rated, but not the profits or the traffic; the buildings are rated merely.

24,059. (Mr. McCreery) And the line is not rated?—No, the line is not rated, it is the buildings merely.

24,060. Is not the whole line rated?—The land is rated that is built upon, and the buildings, but nothing more.

24,061. (Mr. John Hubert) Is it not the case that the line is rated as a whole, and then divided into different districts for rating purposes?—The buildings are rated, and the land upon which the line has been built, the valuation that was on it is merely transferred from the company to the railway company.

24,062. I think, if you will make inquiries, you will find it is rather different from what you expected?—I beg your pardon; I do not think so.

24,063. (Mr. Arthur O'Connor) Do you mean, by the line, the dispart and the mile?—No, the mile. You see the line went through the land originally; the company took up a certain portion of that land, and they merely took the valuation of that portion of the land which the railway company took, and put it on to the rating company and took it from the company of the land.

24,064. (Mr. John Hubert) I think, if you inquire into that subject, you will find that it is rather different from what you have said?—I believe not; I have practical experience of it.

24,065-6. With respect to the taxing of shops, and doles and commercial travellers, you say that commercial travellers are rather looked upon as a curse in the country, and that they take money away, do they not send something back in return for it?—I do not complain about their taking anything away; I say they ought to contribute something to the local taxes of the district in which they do business. That would help to take the taxes off the land. What I complain of is that land bears an undue proportion of the taxes.

24,067. That is quite a different principle; but if you see to tax a commercial traveller, should you not tax any other person going about the country making orders?—I should think any man would be a commercial traveller that would be doing business by getting orders.

24,068. Is there no license duty now upon the sellers of tea, sugar, tobacco and whisky?—Merely a nominal thing—6d. per cwt. for tobacco and tea—a few shillings; but whisky, of course, varies.

24,069. Do those duties now go into the pockets of the county authorities?—Yes, they go now, under the Local Government Act, to the county authorities, but I think they are rather low.

24,070. There is no power, under the Act, of increasing them, is there?—No, there is not. They are levied according to the valuation of the premises in which the business is carried on.

24,071. (Mr. Cripps) Take the case of the rights of fishery, which you have referred to. Rights of fishery are rateable in Ireland, are they not, for the purpose of paying the local charges?—They are not.

24,072. Are you sure of that?—I know that these rivers which are used for the purpose of raising and preserving salmon are not rated at all.

24,073. Do you say generally of rights of fishery in Ireland, that they do not contribute to the local taxation?—They do not, they contribute nothing whatever.

24,074. (Mr. Arthur O'Connor) There is one point I want to get clear. You spoke of district charges which, under the Local Government Act, have become charges

Mr. J. McCreery
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Comptroller should be assessed to local rates. Difficulties of this proposal discussed.

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Fishing rights should be assessed to local rates.

Duties of fishery ought to be rated.

over another 'union,' such as a union on a county?—A union or a district.

24,075. Among those charges are charges for sanitary works; would you give us an instance, in order that we may quite understand what you mean, of a charge for sanitary works which formerly fell as a district charge, and now falls as a union or county charge?—Yes, I have known in the Ballycroy Union Ballycroy district to have been taxed for sewerage purposes, and for water, and now these charges have been transferred to the whole dispensary district, or to the union.

24,076. Which is it?—I believe from Swandamber to the dispensary district.

24,077. Let us be accurate with regard to the facts, because if we are not, you might just as well say nothing?—Well, to the dispensary district.

24,078. There is a sanitary charge which used to fall upon the Hawkey Union?—It used to fall upon the localities.

24,079. Which localities?—That is where there were sewerage works.

24,080. What are the names of them?—Swandamber and Ballycroy Union.

24,081. The Swandamber and Ballycroy district sanitary charge now falls upon what?—Upon the whole union.

24,082. That is a larger district?—Yes; formerly it was levied off the houses in these villages which were improved by the sewerage works or supply of water; now it is levied off the whole union.

24,083. This sanitary charge was heavier upon a smaller area, and now it is lighter over a larger area, and affords a good money which did not pay it before?—Yes, a good money. What the Local Government Board said, when there was objection raised to it, was that, taking the whole Local Government Act into consideration, and seeing that it tended to promote a more equitable system of taxation, they considered these local charges should also be a general charge, instead of being, as heretofore, local charges.

24,084. The whole question was considered?—It was considered by the Local Government Board.

24,085. And by Parliament?—No.

24,086. It was in the Act, was it not?—It seems that the Local Government Board obtained the power under the Local Government Act to do this; whether they have the power or not is another thing. They are pressing it at some places, I know.

24,087. With regard to the quarries, in not the Killybegs estate quarry rated?—I could not tell you; I have no experience in the south of Ireland.

24,088. Then it may be?—It may be.

24,089. It may be that quarries are rated without your being aware of it?—Yes, but not to the extent that they should be, I say.

24,090. If you do not know whether they are rated you do not know how much they are rated at?—I am only giving evidence as to the part of the country I am in; I could not give general evidence.

24,091. With regard to the part of the country that you know, can you instance to us certain quarries that are not rated?—Yes.

24,092. What are they?—I know the Arigna quarry; that is not rated.

24,093. Is there not an Arigna quarry rated?—No.

24,094. That you are sure of?—I am certain of it.

24,095. And never has been rated?—Never has been rated.

24,096. And there is no power to get it rated?—I believe there is.

24,097. What is the power?—The power is in the local authority to get the valuer from the general valuation office in Dublin to rate it.

24,098. Is Arigna in your district?—I know it; I have local knowledge of it.

24,099. Are you a member of the local authority?—No, not there.

24,100. Do you know any means by which, if you had not been negligent—I think that was the term used—you could have got the law as to valuation altered?—We cannot get the law of valuation altered in some respects.

24,101. It is scarcely an instance of negligence on the part of the local people in Ireland that the valuation law is as it is?—No, it is not their fault in a great many instances.

24,102. Now, with regard to banks; would you make any distinction between banks and any other form of public companies?—No, I would treat every public company in the same way; they should pay on their profits, I believe, to the local taxation of the district.

24,103. As I understand it, you consider it necessary for a properly conducted bank that it should know whether any particular branch shows a profit or a loss?—They do know it.

24,104. At any rate you think they ought to?—I am certain they do.

24,105. In Ireland, Scotland, or in England?—In any place, every branch, I know myself, keeps a separate account.

24,106. Now, with regard to commercial travellers, you suggest that they should be taxed or housed?—Yes.

24,107. Of course you are aware that in foreign countries that system does obtain, and that commercial travellers are taxed?—I was not aware of it.

24,108. With regard to the tax-collector who goes about with a car, I suppose he lives somewhere—we may assume that he does?—Yes, we may.

24,109. You have told us that if a man is taxed in one place you would get tax him in another?—Yes, but that is a different thing. A man may live in a place and contribute very little to the taxes. It is based on what he holds in the place, and he is only taxed actually for the holding in the place he is living in.

24,110. But you told the Chairman, that if he lived in three different localities you would be satisfied if he paid in one?—That was not with reference to the commercial traveller.

24,111. I am not making a particular application for the moment; as to your general principle; if a man does pay anywhere that ought to be enough?—Yes, I would only put one tax upon him.

24,112. Why do you not extend that principle to the man who sells tea in a peripatetic fashion; if he pays where he lives in that not quite enough?—No, I think every man should contribute where he makes his money to the local taxation of the district out of which he makes it; that is my principle.

24,113. You would tax industry, then, as well as land?—I do not know what you call industry; that is a wide term.

24,114. Is not selling tea an industry?—It is, but it adds very little to the wealth of a nation. A man selling tea or selling whisky adds very little to the wealth of the country.

24,115. At present, under the Local Government Act, the local people have an indirect interest in the amount of taxes raised in connexion with drink?—Yes, at present.

24,116. It increases the interest of a locality now to have a large amount of money raised from the drink trade?—I do not know that I would go so far as that, it might not be to their interest in another way.

24,117. Have you not proposed to us to-day that in the interests of a locality there should be more money raised from drink?—Yes, and in the interests of temperance I have proposed it.

24,118. But do you not think it may have just the opposite effect?—I do not think so. If you increase the lowest license duty for selling whisky and wine to 10s., we will say, you will do away with a lot of low class public-houses, and you will not decrease the amount of the local taxes.

24,119. Supposing you have a multiplication of low class drinking places, you get a larger revenue from them, do you not?—Yes, under the present system we do.

24,120. The locality is interested at present in the amount so collected?—Yes under the present system.

24,121. Under the present system the local people have an interest in the multiplication of low drinking shops amongst them?—I would not say they would go in for it.

Mr. T. McIntyre
19 Oct. '92

Comptroller should be assessed in local rates in respect of profits.

Commercial travellers should be taxed.

Licensees premises should be highly taxed.

Mr. T.
McGowan
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19 Oct '99

24,122. You have not considered it from that point of view?—I have not considered it from that point of view, but I have considered it from the other point of view, that we may get rid of a good many of them by putting on them at least a 10l. license as a minimum.

24,123. You think it is a good system to get rid of classes of people who are obnoxious by taxing them heavily?—Yes, I think so.

24,124. What would you say to taxing small farmers on the same principle, and getting rid of them?—I do not know what class small farmers would be obnoxious to.

24,125. They might be obnoxious to tea-sellers?—I think a small farmer does something for the benefit of the country.

24,126. Do you not believe a tea-seller does, too?—No. He adds nothing at all to the wealth of the country. A small farmer improves his farm and his labour may be useful to the country. There is a great difference between a small farmer and a small tea dealer and a small whisky seller—a great difference.

24,127. I have only one other point on which I should like to question you, and that is about obnoxious rents. I suppose they amount to a very large sum?—They do.

24,128. Millions?—Millions.

24,129. And they constitute a 'pecuniary drain from Ireland'?—Yes.

24,130. Of millions a year?—Well, millions or more.

24,131. Over two millions?—I believe over three millions a year.

24,132. All these rents so withdrawn pay nothing in the matter of rating?—They pay nothing whatever when the people who get these rents pay nothing to the local taxation.

24,133. And they diminish the working capital of the country?—Exactly. If you take two millions or three millions a year from a concern you want to replace it in some way or another.

24,134. And they go to assist the springs of industry in the countries to which they are withdrawn?—Certainly. I may remark that that is one of my reasons for taxing banks. They lend money to my country—so people in England on far easier and better terms than they would to people of their own country.

24,135. (Mr. Dalrymple.) Does not the absentee owner get a lower rent in consequence of the tenant paying the rates?—I do not understand your question.

24,136. When the rent is fixed is not the fact that the occupier in Ireland has to pay rates taken into account?—Yes, by the Land Commission it is largely taken into account, but heretofore it was not.

24,137. Nowadays the absentee landlord gets a lower rent in consequence of the tenant paying the rates?—Not at all; he gets no less. He gets as high a rent actually as a man who lives on a property, and spends all his money there, and often perhaps higher.

24,138. (Mr. Wharton.) I think you will be glad to be corrected with regard to what you have told us upon the rating of railways. I will just read to you an answer given to us by Mr. Barton, who is the Commissioner of Valuation, and who has the valuation of all the railways in Ireland. It is Answer 3464. He there says: "We divide the line up into districts between junctions or between centres of traffic. Having done this we arrive at a rate per mile for each mile of the line. This is that district according to the train mileage?—I have never heard that before. I know that as the rate books the way it appears is that the buildings are rated, and the land through which the line passes merely."

24,139. But that is Mr. Barton's answer. I say tell you that he described to us that in Ireland the

The witness withdrew.

lines are rated according to the train mileage, whereas in Scotland they are rated according to local ratings. I thought that would probably remove all doubt in your mind as to the rating of railway lines as well as railway stations?—It does not appear upon the rate book; it only appears the way I tell you, because I know it from experience. They merely show the buildings rated at so much, and the land is merely rated at the original amount it was rated before the line was made at all.

24,140. Let me read the next answer to you. The question was: "And in the district every mile of the line is of the same value to the local authority through whom district it passes?" The answer is: "Yes, then we have to divide that up between every township it goes through according to the number of yards in each"?—Yes, every township shows a separate valuation.

24,141. Quite so, and the line is valued according to the train mileage, that is by the number of trains that pass over it per day?—I must be under a great mistake; it does not appear on the rate books in that way at all.

24,142. That is the evidence of Mr. Barton?—He ought to know; he is the Chief Commissioner of Valuation, but I think there is some mistake in some place or another. I know every township through which the line passes; the land is valued, and shows a separate valuation on the rate books for local rate purposes, and the buildings there, and the stations are valued as railway buildings merely.

24,143. (Sir John Lubbock.) Of course it might be a poor railway that runs through your district—I do not know—but if so, there would not be any valuation upon your property?—I have experience of the Great Northern, and of the Great and Leitrim Light Railway, which is a local railway. They both appear in the same way upon the rate books of the entire end of the county.

24,144. (Mr. Clegg.) They would appear in that way under the two heads, but you do not say, taking the Great Northern, that it is rated merely as the value of the land taken?—It appears merely that in such township the valuation of the land in the possession of the Great Northern Railway is so much. That is what misled me.

24,145. (Mr. Wharton.) Having heard from Mr. Barton that the inevitable system in Ireland is the rating of the railways according to train mileage—a very excellent system, no doubt—you would wish to correct your answer?—Yes, I would certainly. He is in a better position to know than I am.

24,146. (Sir John Lubbock.) You have made some references to the valuation in Ireland. You are aware that the Local Government Act of last year gives power with respect to the county boroughs to have new valuations upon application?—Yes, I am.

24,147. Have you any suggestion to make with respect to the re-valuation of the other portions of Ireland—for instance, as to whether a fresh law is required?—Yes, I believe that you would require an amendment of the present law before you could re-value at all.

24,148. Are you satisfied with the present system, supposing it was imported, or would you prefer to see such a system as that which is in operation in England or in Scotland?—I have no experience of the system which you have in England or in Scotland. I think our system is very good if the law was amended in some respects to take in these cases I have suggested.

24,149. A witness from Ireland yesterday, Mr. Marrough O'Brien gave very strong evidence in favour of having the English system; he suggested that the English system should be applied to Ireland?—I would like to know what the English system is before I could venture an opinion.

The witness withdrew.

Mr. DAVID BUCKER called and examined.

24,150. (Sir John Lubbock.) Do you appear here on behalf of any local bodies?—I do not.

24,151. Do you appear as an independent witness?—Yes.

24,152. You propose to give evidence particularly on the question of differential rating?—That is my point.

Mr. J.
McGowan
—
19 Oct '99

Re-valuation in Ireland necessary

Mr. J.
Daly
—

Differential rating suggested to the system

Absentee land-owners.

Railways. System of rating in Ireland.

Mr. D.
Dalrymple,
—

in local administration. And this is a matter of great importance in reference to the tendency to increase in local taxation.

24,154. Would you let us get in evidence what the system is, we will say in Belfast?—I am here as an independent witness, and my remarks are to be taken as general.

24,155. Not particularly as applying to Belfast?—I will explain that, living in the city of Belfast where differential rating prevails, I naturally take a closer interest in it than I do in differential rating generally, for another reason—that I find it so difficult to locate towns or cities where differential rating prevails.

24,156. Does differential rating exist in many municipalities in Ireland?—I cannot find another, and my opinion is strengthened by a remark made in the Irish Local Taxation Returns for 1897, specifying the rates varying from 6s. in Kilrush to 1s. 11d. in Limerick. It explains that the 5s. 6d. which is in Belfast, includes a police rate of 1s. 4d. in the £ on valuations above 20L, which is levied under the Act 6th and 8th Victoria, chapter 142. In a footnote an explanation is given that the police rate on valuations of 20L and under is 8s. in the £. The same remark with regard to differential rating is not made with regard to any other town or district in Ireland.

24,157. What is the present system of differential rating in Belfast?—The present system in Belfast is that under the rate called the police rate, on property of 20L annual valuation and under, the Corporation have Parliamentary powers to levy a rate of 1s. 6d. in the £; on property exceeding 20L valuation the Corporation have powers at present to levy a rate of 2s. 4d. in the pound.

24,158. That is double the amount?—It is explained in the Act that this rate may be varied in proportion to the amount required for the purposes of the rate.

24,159. But the proportion is double?—It is double. At the present time the rate is not fully levied.

24,160. Are there any other steps in this differential system—you have 20L and under, and over 20L—are there any other steps higher up?—There were when the Act was passed. The Act of 1845 provided that the corporation had power to levy a rate of 1s. 6d. in the pound on property not exceeding 20L valuation; above 20L, and not exceeding 40L, 2s. in the pound; and over 40L, 4s. 6d. in the pound.

24,161. There were three steps then?—Yes, and the higher one was three times the amount of the lower.

24,162. Has that been brought into operation?—So far as I can ascertain it was in operation until the Act of 1893 was obtained. That was an Act extending the boundaries of Belfast. In that Act the possible maximum rate on property exceeding 20L annual valuation was abolished, and the large ratepayers were brought into the same class as the ratepayers exceeding 20L, leaving only two classes.

24,163. Can you give us the amount of property which is valued under the first limit of 20L and under, what is the amount of the valuation, have you got that?—I have. In the Belfast directory for this year the total valuation of 1898 is given as something like 1,064,000L approximately.

24,164. That is the whole, now give us the two sections, 20L and under, and over 20L?—The amount of property on which the full police rate was levied of 1s. 4d. in the pound last year was 550,800L.

24,165. What was the balance?—There was 284,500L on holdings not exceeding 20L valuation, and 214,140L on valuations over 20L, and not exceeding 20L.

24,166. I see this is given in paragraph 8 of your memorandum,* I had not noticed that. What were your objections to this principle?—My first objection is to differential rating under any circumstances. Citizens, in proportion to their valuation, should pay the same proportion of rates. That would tend to make citizens generally take more interest in local administration. They would, further, owing to paying the rates, be more on the alert with a view to prevent extravagance.

24,167. Have you any reason for that opinion, such as that, in carrying out this system it has acted injuriously to the interests of Belfast?—My belief is that, especially between the limit of 20L and 40L, there is the greatest struggle for a comfortable existence, and that the amount of rates presses more hardly on

the small shopkeepers and such like, who are rated at over 20L and under 40L, than it would do on the ordinary artisan classmen, who have a regular weekly income, and who can better afford to pay the rates than many of the ratepayers who are rated over 20L.

24,168. Is it part of your proposition that the amount should be raised from 20L up to 40L, or do you wish all to be rated at the same amount?—I wish all rating to be equal in proportion to valuation. I believe that that would be a solution of some of our difficulties.

24,169. If there is a hardship imposed by this rating on the occupiers of property between 20L and 40L, how do you account for the fact that they have agreed to it, and have consented under the operation of this Act. As residents they agreed first to the 20L being brought forward, and they have been about under it all this time?—That is a very difficult question to answer, but the fact is that there is so little interest taken in municipal affairs generally, and people who are struggling for an existence are so busy in other ways, that, after all, it is not very surprising that this question has not been raised before now. I believe it is also largely due to ignorance as to whether it is not a common thing that differential rating should prevail.

24,170. Do you know whether it prevails in England or in Scotland?—I have very little information with regard to Scotland, except Glasgow. With regard to England I have a list of the rates levied on about 73 towns in England, and it includes Belfast; for the year 1896-97 Belfast is the only place on this list where an explanatory footnote is given that on 20L rateable value and under the watch rate is 6d. in the £; and over 20L, the watch rate is 1s. 6d. That led me to believe that in England it was exceedingly rare if it existed at all. I know that in Liverpool there is some difference in the rating on property under and over 12L.

24,171. Is not that more or less mixed up with the question of compounding, which is not quite the same principle?—Yes, it is. The limit in Liverpool and Birmingham, and, I believe, in Manchester, is rather in excess of the other places. It is 3L in most places, 10L, I believe, in Birmingham and Manchester, and a little higher in Liverpool.

24,172. Are you against the principle of compounding; have you considered that at all?—I am not against the principle of compounding; I consider that up to a certain limit it is an absolute necessity in order to collect the rates. Whether 6L should be the limit or not, I must say that I am not very hardly fixed in my opinion, but in Belfast it would be a matter of enormous importance as to whether the limit is 6L or not, for the reason that I will just give you. In Belfast in 1898 there were 76,026 separate ratings, and they were as follows:—Valuations at 4L and under, 3,042; over 4L and not exceeding 6L, 42,491; over 6L and not exceeding 20L, 17,492.

24,173. Is that all?—There is another class—the class that pay the rates have to come out of all.

24,174. Over 20L?—Yes. You would be astonished at the number, but on these nearly 76,000 ratings only half of the police rate is paid, and on over 50,000 of them half of the police rate is charged at first, and there is a 25 per cent. off that half for compounding, so that over 40,000 of the ratings in Belfast only pay, instead of one half, three-eighths of the police rate. Of course the one-fourth of the half comes through the system of compounding. These people represent property amounting to over 108,000L valuation, as I have previously explained. Now I mention the cost over 20L, and the number is 8,473; that number pay on property of 550,300L annual valuation, and they pay the whole of the police rate.

24,175. When you say they pay the whole, I do not understand how they pay the whole?—I mean the whole of the rate levied on them at the higher scale, and they are the only number of ratepayers who pay on the higher scale. On the Parliamentary Register of Electors in 1898, as per Whitaker's Almanack, Belfast had 43,500 electors; at the utmost only 8,400 voters can be put out of the people who pay on more than one-half of the property of the city. I have not the number of municipal voters; it will be considerably larger actually.

24,176. All these people will be put on the municipal register, I presume—they are entitled to be put on?—Naturally it would represent a vote, because if the household is a widow—or a female, or any rate—she would have a vote for municipal purposes, but not for

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Parliamentary purposes. I believe the municipal register represents something over 50,000 voters. There are more than 50,000 ratings; in fact, there are more than 60,000 ratings where they only pay one-half of the levied police rate—sufficient in voting strength, if they were organized, to determine the character of the council that should govern the affairs of the city.

24,177. That is one of your reasons for desiring to see a change, I presume?—My point is, that the smaller number of ratepayers do actually pay the largest proportion of rates as a matter of fact. If the merely nominal ratepayers were organized, they would never have any influence at all in the government of the city.

24,178. Would that not be the case in every municipality in the kingdom besides Belfast, where compounding exists, that those people who compound would all be placed upon the rate book, and all be placed upon the municipal register?—That is really felt most by the landlord, but in any case, if the rates were not differential, they would only have one-fourth of its deducted.

24,179. Is this view held by any large number of people in Belfast?—I believe it is, from private conversations, but I have purposely refrained from joining parties as I prefer independent judgment. Although I am a member of a political party I need not at the present mention it. I have thought this out for myself, and judging from the statistics that I have just given you, one can see that there is very great danger. I am sure that the two gentlemen here from Belfast will bear me out in this, that it would be impossible for the Corporation themselves, at the present time, to carry a Bill in Parliament making the rates equal.

24,180. It could not be done by a local Act you mean?—I think not. I would explain this by a mere side reference. In 1896, the first year for which I can obtain reliable statistics as to the valuation of Belfast, the total valuation was about 330,000; the amount on which only half the police rate was levied amounted to 145,000, the amount on which the whole of the police rate levied was charged amounted to 185,000. We see there a difference of 40,000, in favour of the higher class rated property equal to about one-eighth of the full. I wish you to just bear that in mind for a moment. At the present time the amount taken in the 1898 valuation was 508,000, against 250,000—over 200,000, or under 224,000,000—the difference in favour of the higher rated property now being only equal to about 1/10 of the whole. Therefore, in a very short time the property on which only half of the police rate is levied, at the present rate of progress, would exceed the other in value. At the present time, actually, it exceeds the other four or five fold in the number of voters who would naturally have something to say in any proposition to make an alteration. I think that the greater increase in the smaller rated property, in proportion to the higher rated property, indicates that the fact of the rate being less has had an influence to some extent on the kind of property being built.

24,181. Do you mean that the property is not of a satisfactory character?—I do not so much mean that.

24,182. You do mean in effect that it leads to property being built of a less value than would be built if all were equally rated?—I believe so, and it has a tendency still further to have property which should be rated over 90% kept down to that limit, to the detriment of the other ratepayers, who have the full amount of the police rate to pay.

24,183 (Mr. BAKER.) I do not know whether you have read any of the replies that the Commission has received from various financial and statistical experts on this particular question?—I have not had the opportunity.

24,184. There is one reply which I should like to put to you, and to ask you whether you agree with the opinion expressed. It is a reply by Professor Gosner, who says that the effect of applying different scales of duty encourages the formation of these classes of property, which are favoured, while it discourages the continuance of those that are differentially taxed. Would you say that in Belfast the larger rate charged on these small houses has tended to the production of such houses?—I think it has, but I would argue further that the occupants of these houses, which are principally let on tenements of less than three months, are practically not rated at all, for any purpose, particularly for municipal purposes.

24,185. I quite followed that, but what I wanted to get from you, and I think I have already done so, is a

statement as to whether, in your opinion, the provision of small dwellings for the working classes had been facilitated by this lower rating of such houses?—I cannot say definitely that it has, because the natural demand, owing to the enormously rapid growth of Belfast, created a necessity for those houses, and as they have been a good paying investment, there was a sufficient inducement for the building of that class of property without any inducement as to the difference in the police rate. Nevertheless the police rate has always been a small one comparatively. I do not know that it has ever been levied up to the limit. Never within my recollection—and at the present time it is within half the limit. Without any further Parliamentary authority, as the Corporation find it necessary to raise money under the police rate, they can increase that rate, and for every penny put on the property rated at and under 20s., 25s. goes on the higher class.

24,186. Then you think that this provision has had no effect—that it has not been a factor in the provision of small houses for the working classes?—I could not answer that question definitely, but I believe that it has.

24,187. (Mr. BAKER.) The police rate is the only one that you have this differential rating in, is it?—So far as I know.

24,188. Therefore its effect upon the total rates of the borough does not appear to be very large. Taking paragraph 7 of your memorandum it appears that the class of property pays 5s. 6d. in the £ now, and the other 5s. 6d., and that if you equated the rate it would make the one 4 1/2d. less and the other 4 1/2d. higher?—That is practically so.

24,189. Is that felt as a very great grievance by the more wealthy proprietors?—I look at it more as a matter of justice, and considering that the produce of that rate is not applied to special purposes, but to general purposes, and that it is as much a general rate as the general purposes rate itself.

24,190. One witness to-day has told me that in Belfast at the present time the more valuable properties in the town are more below their proper valuation than the smaller properties; do you agree with that view?—In a general way I do, for the simple reason that the greater part of the smaller properties which will now come under the review of the Valuation Commissioners have been built within the memory of some of us present, and that the annual revision has caused them to be valued pretty well up to their rateable value in the city.

24,191. We are told that the properties in the city are very much below their proper valuation?—I have had that opinion for many years.

24,192. In some cases they are 100 per cent. too low?—I quite expect so—some of them more than that even.

24,193. Taking these figures of yours with respect to the rating, from which it appears that, taking the total rates of the town, the more valuable properties have a very slightly larger rate in the £, it would seem that, at the present time, if either class of property has paid too little, it has been the rich properties?—That is for the want of a re-valuation within a reasonable time. I hold that every man should pay his proportion of rates in accordance with the value of his holding. That is the only representative of the wealth of a citizen that is easily come at.

24,194. In speaking of the effect of this differential rating in the past upon the different classes of citizens in Belfast, if those figures are correct it would seem that it has rather gone to mitigate the hardship of those lower valuations of the richer properties than that it has had any other effect up to the present time?—From that point of view.

24,195. If that is so why has there been a feeling of hardship on the part of the owners of the richer properties?—Because there is a very strong opinion in Belfast that if the principle of differential rating, as introduced in the year 1846, intended that the richer citizens of Belfast should pay more than their poorer neighbours, that object has failed, in consequence of so much of the smaller class of property in Belfast being let free of rates, and that it is not the occupier who receives the benefit of this differential rate, but the owners of that property, who let their tenements for so much rent as they can possibly get for them, and would do so in any case, and that the householders do not realise that they are paying the rates through the rent.

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Differ-
ential rating
in Belfast
in respect
of police
rate.

Re valuation
in Belfast.
The more
valuable
properties
are now
under-
valued
than the
smaller
properties.

Differ-
ential rating
Whether
it has
facilitated
the pro-
vision of
houses for
the work-
ing classes

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Objections to system.

24,196. I understand that, as a matter of fact, taking merely the figures that you have given us, these properties of a smaller valuation than 20L a year are neither paying more than their fair share than less than their fair share, owing to the low valuations of the richer property?—Do you mean of the general rating of the city?

24,197. Yes?—That is quite possible only from that point of view, but you will very likely find that the persons who, apparently, pay rather more than their share, notwithstanding they only pay the half of the police rate, are benefited in another way by being owners of the higher rated property, and get more than a quid pro quo.

24,198. Have you got the number of holdings between 20L and 40L?—I have not.

24,199. Those are the properties which, you think are most injuriously affected by this?—I do; I mean if differential rating is justifiable under any circumstances that the limit of 20L is an unfair one; it should either be considerably higher or it should be a great deal lower.

24,200. Can we get the figures of the valuations between 20L and 40L?—Only on application at the municipal office.

24,201. What was the reason why this differential limit between 20L and 40L was done away with in your local Act of 1883?—That never was there. The differential limit was done away with on property exceeding 60L valuation. There were three classes at first, one 1L and under 20L, the next was over 20L and under 60L.

24,202. Why was that done away with?—I do not know; that is what I should like to know.

24,203. (Mr. Widdows.) Sir Samuel Blook told us in his examination that under the local Act of 1883 dwellings of 40 acres and upwards are exempted from police rate and borough rate; have you any remark to offer upon that?—I know that it is the usual thing that agricultural land.—

24,204. No; that is a question of demerit?—I do not know that.

24,205. You were not aware of that?—I know we have demerit lands in Belfast which are exempt from certain rates. I do know that.

24,206. Under a special Act of 1883 there was an exemption of dwellings of 40 acres and upwards from police rate and borough rate. Do you think that is a satisfactory exemption?—They are not exempt from all the borough rates, but, so far as I can understand, only from certain allowances for lighting and watching.

24,207. The police rate and the borough rate they are exempt from?—The borough rate, you know, is a very small rate; it is not a large rate at all. I have no remarks to offer on that, because it is a question I have not studied.

24,208. Would you not say in that case that it is an exemption of those who are probably the best able to pay the rates of any class in Belfast?—I will take it that the owners of this class of estates are not despising it. They are exercising the use of it by living on it.

24,209. I do not think you quite appreciate my question; I say, is that not an exemption of those who are probably the best able to pay the rates of any class of inhabitants?—If you introduce the question of paying by ability, then it is, but if a man ought to be taxed in accordance with his wealth, the wealthy men would remove to places where there were not such rates to pay, he would not stay in Belfast.

24,210. The original establishment of rates was according to ability to pay?—Yes, I do know that.

24,211. If that is the case, that is an unsatisfactory exemption?—It never was found workable, not even in the case of Manchester.

24,212. (Sir John Gilbert.) Have you any point you wish to add?—My strongest objections to the differential rate are that it is applied for general purposes. I have explained to you in my memorandum how the rate for 1897 was expended.

24,213. That is in No. 2 paragraph?—Yes, and I need not read that again, as you have it before you. I have the appropriation accounts for the following year, when the rate produced 45,000L. The items of expenditure are only increased in proportion to the amount of the rate, and the whole of it is used for the same purposes: Public lighting, 21,000L; the proportion of the cost of police, 7,200L; widening of streets, some 5,000L; and so on—practically the same items only rather larger. Now, if this was a police rate, as it is called, I am not sure that I would object to it being differential, but it is no more a police rate than our general purposes rate, because the same amount is paid towards the cost of the police out of the general purposes rate—exactly the same amount—and that is not for police of our own. The police in Ireland is an Imperial charge, and the only towns in whose accounts any item with regard to police appears are Belfast and Londonderry. It is explained in this Report of Irish Local Taxation that the amounts paid at Belfast and Londonderry are simply one-half the cost of an extra force, and for services rendered by the constabulary in performing the duties of a night watch. The total cost of the police in Belfast is 14,000L. A rate of less than 5L will produce that. The 21,000L paid for the lighting of streets I hold to be general purposes; widening of streets, 4,000L; about 5,000L of it goes towards the cost of the fire brigade in excess of what is put from the fire insurance companies. Now I would consider that there might be a very good reason of administration why a rate, if any is necessary, for the support of a fire brigade should be differential, and that the persons who have most property to preserve should pay the most for the support of the fire brigade; but for general purposes I think that the general purposes rate should be the rate under which all these charges are levied and paid for. I have another suggestion to make, and that is that greater simplicity should be introduced in levying rates. In Belfast we have some seven or eight amounts mentioned on the demand. How much were told in a simple way that they have 6L 6d. in the £ to pay their share towards the cost of next year's expenses. That is done, I know, in England. One rate is levied apart from the poor rate; it must introduce great simplicity in the work of the rating departments of local authorities; and I have seen where the accounts have been kept based on the one rate system. It is very simple. There is no ratepayer can make an excuse that he does not understand what the rates amount to. Take our own instance: we have the police rate of 1L 6d. in the £ on valuations over 20L; and 2d. on 20L and under; the general purposes rate of 2L 6d. in the £ inside the lighting district and 2L 7½ outside; the borough rate, 3d., the public health rate, 3d., the baths and washhouses rate, 1½d.; the public library rate, 1d.; the public parks rate, 2½d.; making altogether 1L 5d. in the £. Then there is the special rate for malicious injuries. We have none this year, we will have one next year no doubt; and so on. There is no place on the demand note which states that it is 6L 5d. in the £. You must add up all these fractions.

24,214. That is left for the ratepayers to add up?—And they are not always educated up to that.

24,215. That is a very simple matter I suppose; have you any other point?—There is just another matter where I do not want to do anybody an injustice. In paragraph 2 I say, "Differential rating with such large possibilities as under our local Act has had a considerable influence on the kind of buildings erected, and on many thoroughfares inferior residences have been put up in order to keep down the valuation." I would like, as my last word, to qualify that and to say instead of "inferior erections have been put up in order to keep down the valuation," I would say "allowed to continue," because many of the inferior erections which I referred to are, perhaps, rather too old for the assertion that I have made. If you would alter that, then I stand by the rest of the evidence.

The witness withdrew.

SIR JAMES HARRIS, M.P., called and examined.

24,216. [Sir John Lubbock] You were for sometime mayor of Belfast?—I was.

24,217. For how many years?—In 1867 and 1868.

24,218. During that time, and since, of course you would naturally have acquired a great amount of information with respect to the state of the government of Belfast, and in respect to the rating?—I have been a member of the corporation for rather more than 30 years—32 or 33 years.

24,219. You have prepared this memorandum* for us, I believe?—Yes.

24,220. Would you state what you wish to tell us with respect to your first paragraph, referring to the two classes of rates for the city of Belfast—the one under the local Acts and the other under the general Acts?—What I mean by the local Acts are those Acts that refer especially to Belfast, and were promoted by the council of Belfast; the general Acts are promoted by the Imperial Parliament, and are a part of the government of the city involving taxation under those special Acts.

24,221. I suppose the rates under the general Acts would probably be higher in amount than those under the local Acts?—No.

24,222. Not?—No; the rates under the general Acts, if you include the poor rate, would amount to about one-third; the local rates and the rates of local applications would amount to about two-thirds. I am not giving you round numbers—it may be a little varying mathematically.

24,223. Then we have had evidence this morning with respect to the different charges made in the rating system in Belfast for the police rate; would you like to say anything upon that question at the police rate?—Belfast became a borough, it may be stated, under the Act of 1849, which provided that towns of a certain population should be governed under that Act by a mayor and corporation. That system of government succeeded the old commissioner system, and I think the origin of that differential rating in the Act for 1849, which was the first Improvement Act for the city of Belfast, was that it was practically a continuation of the old commissioner system.

24,224. The fact is, that the new corporation took over the system which had been in operation previously?—Previously, or a system analogous to it, it was a system of differential taxation.

24,225. With respect to the general system of rating in Belfast, have you any particular point that you wish to raise?—With regard to the differential system, so far as we have been able to carry it out, we have remained the same since under the differential system. We have struck an *ad valorem* rating under that Act as possible, only what was absolutely necessary, and what was compulsory under the Act of 1849. For the general working of the corporation, the house tax, we have the general purposes rate, which is not differential.

24,226. Which goes on equally, of course, upon all properties?—It does.

24,227. It is not a differential rate?—No.

24,228. What do you say to this statement made in the evidence we have just heard from Mr. Roberts, that a man of 10,000*l.* is provided in the police rate for public lighting?—That is carrying out the original principle. The lighting of the town is authorized by the Act of 1849, and the amending Acts still keep the lighting under that Act.

24,229. When you took over the government of the town from the commissioners did they then charge the public lighting to the police rate?—I think two lamps were set that were in the town at that time, and they were done by private subscription; and there were no policemen. It was a most happy position of things in the year 1850.

24,230. You would not like to go back to that state of things, I suppose?—I am afraid not.

24,231. I suppose you would agree generally with the principle that charges for general purposes ought not to be included in the police rate?—I think not. I may mention that the roads, why a portion of the police is charged under the Police Act and a portion under the General Purposes Act is that the General Purposes

Act is severely tried in its amount; it is limited, and the necessities of Belfast in its rapid growth severely tried them. Having regard to our general improvements, we sometimes place a larger amount on the police rate—that is the rate struck under the 1849 Act—and less upon the improvement rate, because of the difficulty. We have a right under both Acts to charge for the police and to adjust the amount in such manner as the council may from time to time think right.

24,232. Is it not the case that owing to the limitation which you have in various rates, you are obliged to arrange as to which amount shall be included in one rate and which in the other?—Precisely.

24,233. Is that not an argument against the limitation of rates?—It is, but on the other hand I think the limitation of rates is a correct principle of Parliament, because expanding bodies might become incalculable, might become extravagant, and I think it is not unreasonable that the broader base of Parliament, or Parliamentary inquiry, should to some extent limit the power of rating. I think it is a safeguard in the rating system.

24,234. Is that not rather a reflection upon the local government principle?—No, I do not know that it is. I think you might as well say that it is a reflection upon Her Majesty's Government when a limit of rating is put over upon the Imperial Parliament. It puts it upon itself when you limit their rating. A Government as a Government cannot increase the taxation of the country without the consent of Parliament. So that is the broad principle—I think that limitation is necessary, but it was occasionally great difficulties. I will give you one or two illustrations. Our borough rate, that is the rate struck under the Act of 1849, is absolutely limited to 3*l.* in the £. Parliament by its wisdom has again and again put duties upon such a borough as the borough of Belfast, and those duties are to be carried out under the borough rates. Take, for instance, the Education Act, and the School Attendance Committee; you put that upon us here; it amounts to 1,200*l.* or 1,300*l.* a year, and you say: Pay it out of the borough rate, but you do not allow us to expand the borough rate a single point, and it taxes us to such an extent that we are unable by direct taxation under that Borough Act to meet the expenditure.

24,235. Is not the principle of the limitation of rates rather an old-fashioned principle than a modern one?—Well, old fashions may have an element of truth in them, and an element of good. It is an old-fashioned principle, I dare say, but I am not sure that we are ripe yet for the abolition of it entirely.

24,236. The Local Government Act of 1888 gave certain powers to the county councils of this country; I do not know that you are aware that there is no limitation in any of them?—There is not; and I think I am right in saying that in our Public Health Act there is no limitation. As far as my memory serves me, there is no limitation in the Public Health Act applying to England, Ireland, and Scotland, but at any rate our own general Act applying to Ireland is without limitation.

24,237. In the collection of rates in Belfast now, under the Act of last year, you have an improved principle of collecting, you collect not only your own rates, but also the poor rate for the guardians?—I fought against that to the best of my ability; I am not sure that that is an improvement.

24,238. I understood it was an economical principle that one rate collector should collect all the rates within the borough?—Yes, I am aware of that, but take that poor rate as an instance. You have completely altered by the recent Local Government Act, not the burden, but the collection of taxation. Formerly the poor rate, up to 4*l.* valuation, I think, was collectible from the landlord, and the tenant was not liable; now you make any rating directly collectible from the tenant.

24,239. My question had reference more—to the economic collection.

24,240. To this—whether it was not an economic principle that all rates should be collected by the same authority?—I think so. I think that is an improvement, but the mode of collection and the mode of assessment, I think, is rather objectionable in practice.

24,241. Do you wish to say anything with respect to the mode of assessment at the present time in operation in Belfast; I believe you have applied under the Act

of last year to have a re-valuation?—We have. I hold different views. I am aware that there is a considerable amount of the older property in Belfast that presents an anomalous phase to any one looking at it; but as a rule structural changes have been made, in the older portions of the property, whereby re-valuations have been made. Of course, there are some properties in Belfast not re-valued, but I do not think that prevails to anything like the extent that some people maintain; there may be 10 per cent., but I do not think it is more than that, of unvalued property, that is, property that has not been re-valued within recent dates.

24,242. Is it likely that a valuation can be in a satisfactory state which is based upon an average taken about 40 or 50 years ago?—No, were it not that we have continuously had re-valuations as structural changes were made. The moment a man put in a new window, for instance, down came the value; if he divided the premises into two, and made a sub-letting, down came the value.

24,243. A property that was not altered or improved has never been re-valued, as I understand it?—It has not, and I think that that direction is probably where anomalies arise. The governing body either of a town, a borough, or of a county, through your county councils should have a right of calling for a re-valuation.

24,244. I do not know whether you are aware that in England counties have the power of retaining the whole property within the county every five years?—By their own valuers?

24,245. Yes?—I am aware of that. Formerly we had one or two valuers in the city of Belfast. The entire valuation of the city in older times was made by assessors or valuers who were put upon the property. I am not very sure that—with the peculiarities that we have in Ireland and the somewhat suspicious nature—a public valuer is not a better system.

24,246. You mean an Imperial valuer?—Yes, an Imperial one.

24,247. You prefer that principle to having a local valuer?—I do. I think the man should be freed from local influence of any kind.

24,248. Must it not be difficult to get local knowledge brought into play if you merely rely upon the central authority?—I do not know. The man who goes into Belfast, and from year to year is working as a Government valuer, gains local knowledge. Of course any new man would come in with all the difficulty of education required, but a man who has valued the property in a street knows the relative value of that and that property, and he knows what the value of the intervening property must be.

24,249. I suppose he is obliged to obtain the assistance of local knowledge when coming in to value? I suppose your Imperial valuer from Dublin would be represented by some local man?—He generally has a man who attends locally to the valuations of the district.

24,250. Have you anything farther to say upon that question?—In relation to values there is an extreme difficulty in any of us knowing the exact basis upon which the value goes. I hold that he has no right to go upon the basis of a man's success or failure in the house. That is, he has no right to value in proportion to the man's energy who occupies the house, but he should value upon the basis of the land value and the expenditure and the situation, the locality and the possibilities of the place. I think that that is all he has got to deal with. I confess that we have not been able to see exactly the basis upon which the valuation is made. I think that any community has a right to know that, and that there should be a public basis laid down.

24,251. Do you mean laid down by Act of Parliament?—No; I think that it should be settled.

24,252. It should be an Instruction?—Yes. So far as you are concerned in England, you, I think, give pretty nearly the rental value—that is, the letting value is pretty much the taxation value. In Ireland we have usually considered, and, indeed, in practice, it has been, that the taxation value was about 90 per cent. less than the actual letting value—I do not mean the fearful letting value, but the actual letting value—in the district. I think that a fair comparison is the value of the ground rent and the value of the building that has been placed upon it, calculated at an equitable rate of interest, with allowance made for wear and tear and insurance.

24,253. I will now come to another question. In paragraph 7 of your memorandum you say, "The general taxation for the city of Belfast includes the necessary amount for the maintenance of lunatics." Have you anything to say upon that question?—I have long held that the maintenance of lunatics should be a public charge. They are restrained, they are taken out of society, for the benefit of society, and I think it is most desirable that the lines which you have followed in recent legislation in relation to paupers, where you imprison an actually convicted man, should be followed where you imprison a man as a lunatic and take charge of him for the benefit of society. The cost of that should be paid by society generally, and not locally.

24,254. You would be favourable, then, to the expenditure upon lunatics being taken over by the State?—I would; already they take over the half.

24,255. They do not pay one-half, but do a week?—You they pay do a week.

24,256. Whether that is one-half depends upon whether the place is managed economically or otherwise?—Yes. I think our management in Belfast costs about 2s. or 3s. 6d., out of which we get 5s.

24,257. I am sorry to say it is much higher with us in England?—Yes. The general tendency is towards greater extravagance; indeed, the man who would come out of an asylum now would be a lunatic—I mean to go into an ordinary 3s. 6d. house.

24,258. You say in your next paragraph, "It has been advocated that the taxation on premises should be distributed between the occupying tenant and the landlord on the same basis as the poor rate in 'former times'; have you anything to say upon that?—That is one question that has been agitated a great deal, and meetings have been held in Belfast. There was a motion brought forward in the Council on the subject, and it was not made because we felt that we could not go into that question. We had said a very large amount of ground rents; in fact, all our improvements in Belfast we had said subject to the abolition of the taxes—that is, that the ground rents should not be subject to any taxation except the ordinary taxation.

24,259. Are these ground rents what are called feu-farm rents; are they perpetual or are they for a certain limited time?—They are perpetual, they are let for what we term "for ever" rents, in perpetuity. If you are taking a new piece of ground, and the landlord is to pay the half of the rates, I suppose that will go into the question of the value of the ground; so that really it practically adjusts itself. But there is a good deal to be said in favour of the occupier and the head landlord having some mutual taxation placed upon them.

24,260. I gather that your opinion is that you would object to the taxation of the ground landlord upon rates that have been granted, and you would make it apply, if it applied at all, to future cases?—If it applied at all, I think it might apply to future cases. I may be somewhat charged with personal interest in the matter, but it is not a question of personal interest with me. I think that it is an desirable for Parliament to override contracts that have been made between man and man.

24,261. (Mr. Arthur O'Connor.) At man's length?—No, there has been no man's length in the city of Belfast; because really the landlords and the tenants have been on a perfect equality, so far as the letting is concerned; it may be at man's length in other places.

24,262. By man's length I mean each party being free to let?—Yes; I thought just meant that there was a weapon in the one hand.

24,263. No?—That has been sometimes the case.

24,264. (Sir John Lubbock.) Then also, in addition to being favourable to lunatics being taken over by the State, you say that special schools should be set up in the case of premises for imbecile children?—I do; and I hold very strong opinions upon that.

24,265. I suppose in Ireland the imbecile children are at the present time in workhouses?—They are; there is only one special institution for them—I think the Scurry Institution, near Dublin.

24,266. Is that a voluntary institution?—It has been endowed. It is a specially equipped place by endowment. I think that under the Poor Law system there is really no machinery for bringing out any little intelligence that there is in these children.

Sir J. Lubbock,
M.P.
19 Oct. '99

Lunatics.
Their maintenance should be an Imperial charge.

Ground rents.
How far desirable to rate them.
Rating contracts should not be interfered with.

Imbecile children.
Their education should be undertaken by central Government at the cost of the State.

Mr. J. H. P. 19 Oct. 99 24,265. Does not the Act of last year give power for the county councils to deal with the question of imbecile children. I am only asking that for information, because I do not know?—It does, I believe.

24,266. Would it not be possible for counties to combine for that purpose?—I think they can, but in my opinion not upon a broad enough basis. I think it should be provincial, and I do not think you can ever hope to get provincial schools established under present conditions.

24,267. Is there no principle of combination in Ireland going on between the counties and county boroughs. I suppose not, the Act having been in operation so short a time?—It has been in operation so short a time. It is exceedingly difficult; of course each party is guarding their own taxation.

24,270. Would you be surprised if I were to say that in Limerick, where we have 15 county boroughs in the county, they manage to combine together for certain purposes?—I am glad to hear that, and I trust that we will have some combination in Ireland for mutual protection and interest, and upon a broad basis, by which such a thing as this can be set up. I think that imbecility should, to a large extent, be its educational department be Imperial.

24,271. You mean the training of the imbeciles?—As to the training of imbeciles and the bringing out of any little intelligence that they possess, that is a special quibbly, and you would require special teachers for it.

24,272. I quite agree in that view. Now in respect of vacant property, you think that that should pay some portion of the rates?—I do. Formerly we were able to charge the borough rate against vacant property up to six years. Now we have no power to charge against vacant property anything, while at, to some extent, give the benefits of being in a city—it is watched and it is provided against this. As to some of the benefits, I do not think it would be fair at all to charge at the full general taxation; but I think it should be subject either to a fourth or an eighth of the general taxation, in the respect that it receives a benefit though vacant.

24,273. Would you apply the same principle to land within the limits of the city that was unoccupied and called building land?—I would. I do not apprehend that there is very much of it held against the market, but the landlord has a right to hold his land, I suppose, if he thinks he would get a better market 10 years hence, and it is a calculation with him whether in the 10 years he will have an increased rent. This is a free country, and he has a right to hold it if he wishes unless it is taken from him by Act of Parliament.

24,274. Have you ever thought as to the principle upon which you would value such land?—I would value it upon the idea letting rental, and let them pay, say, a fourth or an eighth of the local taxation. It also derives some benefit and an enhanced value from its being in the city. I think the same rule should follow land that does follow houses, and that the valuation should be upon the value that it has then for ordinary letting purposes—say, 3s. a foot or 2s. 6d. a foot or 10s. a foot. If the landlord wishes to hold out, or has not a demand for it, I think that as much as he derives some benefit—in his case the freighting does not come in, but the watching does, and he derives some other city benefits—he should contribute something to the city taxation.

24,275. Is there any other point that I have passed over in going through your statement on which you wish to make any remarks?—I do not know of anything unless there is something that the Commission would like to ask as to our general administration. I would be glad to give any information I have at my disposal.

24,276. We have rather had that, I think, from the Town Clerk of Belfast to-day in the very clear evidence which he has given us?—I think you have got it nearly all from him.

24,277. (Mr. Arthur O'Connor.) You say in No. 3 of your paragraphs, "The Government valuation for poor law purposes is the foundation of all other rates." As regards Belfast, is there a very large amount of property which, having been valued many years ago, has not been re-valued?—There is a large amount of property that has not been re-valued.

24,278. Then that property would be now under-valued in the Government valuation?—Yes.

24,279. And that enhanced value which has accrued during a long succession of years is due, in it not, to the community's development as much as to the individual efforts of the particular owners?—Yes.

24,280. Therefore the community as a community does not derive from a considerable portion of the property in Belfast as much in the shape of rates as it ought to?—It does not.

24,281. I have used the word "community"; they are not fairly regarded Belfast as a community, self-contained and self-governed, in which all the contributions are made as blood circulation through the body, and they make a composite whole?—Yes, no doubt about that.

24,282. Might there not be a system under which this corporate unity takes cognizance of its own needs and meets those needs by its own efforts over the whole of its area by one system and one valuation and one rating for all purposes?—Do you mean that there should be one rating? I quite agree with you that under existing circumstances possibly if you were beginning again you might be able to say that there should be one rate for Belfast. But where you come to get a general improvement, you get a Local Government Board order to make a sewer in a particular district, and, I think, in Belfast probably we have about the fairest principle of making that sewer for the development of that district that I know of existing in any place; that is, the community pays a third, the occupier pays a third, and the wealthy landlord pays a third over all the possible drainage into that particular sewer.

24,283. I wanted to fix your attention upon Belfast as a community complete in itself with partial needs and general needs; could not the community of Belfast be trusted to deal with all its internal affairs independently, as it appears good to itself?—I think it could in many respects, but I do not think that anybody, even the majority in Belfast, would command the respect that a broader base, such as would, say, a Committee of the House of Commons or any other Committee—say a judgment of this Commission here—where an appeal is made to their judgment and evidence brought before them as jurors. I think that they would come to a more correct and less biased conclusion than an interested party, or probably a party with only local ideas.

24,284. If you regard Belfast as a community, as a whole, the party free action, does it not?—It is not a question of party, but a community may be circumscribed in its ideas, and may have those ideas very considerably broadened by bringing them before a larger community. It is the case with all smaller communities that as a rule they get a little circumscribed in their ideas.

24,285. Could that not be done by comparison with what other communities do, and could not the intelligence of Belfast be trusted to estimate itself?—To make its own law?

24,286. With regard to its own affairs?—I think it could, but on the other hand I do not think that a large portion of the community would be satisfied with any administration or with any Act of any governing body in Belfast, or, in fact, almost any place.

24,288. Disregard from your mind altogether any idea of Belfast?—I do not know that the Liverpool people, for instance, I do not know that the Glasgow people would be satisfied with Glasgow law or Liverpool law without the right of appeal to some other community.

24,287. Do you think that things or persons in Ireland are so different from the rest of the world that it is necessary to have exceptional arrangements with regard to that?—I do not think it is exceptional; I do not think it differs in any way, Ireland has quite the same privileges; it is the same as England and Scotland in that.

24,288. There is a good deal of human nature in Irishmen, as in Englishmen, and Scotchmen, is there not?—I think there is generally all through the country.

24,289. The existing valuation, at any rate, is unsatisfactory, and you have applied for a re-valuation?—And it is going on at present, we did apply before.

24,290. You have had good reason to apply?—Owing to the rapid growth of Belfast, inequalities have been more accentuated than they would be in a slower growing town.

Mr. J. H. P. 19 Oct. 99

Local Government in Belfast. To what extent does the law of rating apply?

Valuation in Belfast. Re-valuation is going on at the present time.

Vacant building land and houses property should be rated to some extent.

Valuation in Belfast. A large amount of property which has not been re-valued.

24,231. But the same reasons would obtain elsewhere, perhaps, if the circumstances were at all similar?—You see the difficulty is, that in Ireland there are some towns going downwards.

24,232. I was coming to that; where the circumstances are at all like Belfast the same reasons would apply for a re-valuation?—They would.

24,233. Where the circumstances were the very reverse, reverse reasons would apply for a fresh valuation?—Yes, but you see when they are the reverse the individual has the right to demand the re-valuation. If he thinks he is over-taxed the individual's right is to have the re-valuation; but if a man thinks he is under-taxed he certainly will not ask for it.

24,234. So that the present situation of affairs with respect to valuation in Ireland is absolutely illogical?—I think that re-valuation should be made periodically, I believe they are being made pretty regularly throughout Ireland.

24,235. Where anything tends to depreciate a valuation it is effective?—Yes.

24,236. But where anything tends to increase a valuation it is not effective?—It is not; that has been one of our difficulties.

24,237. So the whole system is bad?—I do not say the system is bad, I think as that respect it should be altered, and I have stated to Sir John Elliott in relation to this, that I think there should be the means whereby re-valuation could be made, and made at a moderate cost, and whereby a corporation could ask for that re-valuation if the general ratepayers were assenting.

24,238. What do you say to a local valuation committee in Belfast subject to appeal?—I think that a local valuation committee has more knowledge, and can arrive at a valuation better than any outsider, unless he has local knowledge or has acquired local knowledge. But on the other hand we have had the experience in Belfast, and we were at certain points obliged to change it, from the difficulties of feeling that man up that the local man was locally influenced and was irregular or unequal in his valuations.

24,239. I said with right to appeal; would that not correct it?—When you say the right of appeal, the man who is too low valued is not likely to appeal; if he is too high valued I dare say he would; but the same error exists at present.

24,240. His neighbour could appeal?—No, not his neighbour, but you might give a corporation the right of appeal, but there you at once enter into another difficulty.

24,241. Assuming that there is a right of appeal by any party aggrieved—individual or corporation—do you think that the community of Belfast could be treated with its own valuation?—I think we can find valuers in Belfast who would value, but I would say it is a matter really totally of indifference whether the man is a resident in Belfast or whether he is appointed by the general Government of the country, and acquires his local knowledge, or resides in Belfast.

24,242. Nothing would prevent the community from obtaining assistance from its own body or from competent authorities outside, but assuming that the community of Belfast had the power of carrying on the valuation locally, is there any reason to suppose it could not do it fairly and efficiently?—I do not know what you mean by the community. If you mean that the corporation, say, of Belfast, should have the right of appointing a valuer, then if that valuer is appointed and made wholly independent—that is, a judge looking the scale between man and man—I do not see anything to hinder that man doing it quite as well as a Government valuer; but I do not know that by shifting the responsibility from the one to the other you will ever arrive at a more correct calculation.

24,243-4. Supposing you had the right to call in, if you could, a private valuator, say a Government valuator, or anybody else, do you think the people in Belfast would not carry out their own valuation—that is all I ask?—Yes, I think so; there is no question about it.

24,245. Are you aware that the system of local valuation is that which obtains in England?—I am.

24,246. Is there any reason why it should not work properly in Ireland?—It would work well enough, but I have told you that our experience in the past led to the abolition, and to having it done by a totally disinterested party outside local appointment.

24,247. But at that time a very different system obtained; now you have the Local Government Act. Do you not think that the authorities, under the existing Local Government Act, could carry on, if it was considered desirable or advisable, a system of valuation which would be satisfactory?—I think they could, but speaking of the Local Government Act, it does not in any way alter Belfast, save in name. We are now a county borough, and so forth, but, so far as Belfast is concerned, and one or two minor things as to the time of our elections, and so forth, it does not alter our condition in the slightest degree.

24,248. You have already told me, in regard to Belfast, you think the community as a community, and as at present organized, could, if it was allowed further powers, carry out the work of its own valuation?—I think they could.

24,249. Have you any reason to suppose that the work would not be equally well done by any similar community in Ireland?—I have not the slightest, they have only to appoint a man, the same as Mr. Burton is appointed, and they will arrive at the same conclusions. I think in any case every party valued should have the right to appeal.

24,250. You spoke of the mode of assessment and mode of collecting leaving something to be desired; I did not quite gather what you meant. Would you explain a little, or explain your observation upon those points?—At present we collect our rates through our local and general rates department of the County Council, in fact they are all now, except the water rate (that is a separate corporation), collected by the corporation or the officials. The public Act passed last Session obliges us to collect from the individual the poor rate and the ratings collected under the public Acts. I have no doubt that when collecting, especially in separate small valuations from the tenants a very large leakage will exist or occur, and that that leakage the larger ratepayer will have to make up. So the requirements of the city must be met from some source.

24,251-2. Is that in any way connected with your observation in your fourth paragraph, that the rates are general?—Yes.

24,253. Would you make them a charge upon property?—I would not, but I think that where a rental is collected weekly, that it presses less heavily upon the tenant to have his penny a week collected regularly and steadily from him in the rental than it does to have 4d. demanded from him in one rate.

24,254. Now, with regard to the existing valuation in Belfast; it is admittedly below, as a total, what it ought to be, is it not?—Yes.

24,255. Does not that limit your borrowing powers?—It does under some Acts.

24,256. Does not that limit your efficiency as a community?—No. The borrowing powers are limited under the general Act, but the Local Government Board, on inquiry, has the power.

24,257. To —?—To give us an increased loan.

24,258. To a certain extent?—I do not think they are limited.

24,259. It is limited to a certain extent. Supposing that your valuation was as it ought to be, would not that materially affect your borrowing powers?—It would, provided you had a limit, but it has not affected us, nor hampered our property in the slightest degree, because we have never gone to our limits, even with the limited Acts.

24,260. But it does affect your borrowing powers as powers?—It affects powers as powers.

24,261. The same limitation, though it would not affect Belfast prejudicially, may conceivably affect another community very prejudicially?—It may.

24,262. Why do you approve of the limitation of a rate to 3d. in the £? Would you not give to the community of Belfast a discretion as to what particular rate should assent to any particular sum?—I have objected to the limit of 3d., because it has pressed upon me, and I object to Parliament putting upon a 3d. rate a burden that 3d. cannot bear without giving us a separate power.

24,263. There exists at present a limitation of rate which prevents anything being available for the original purpose of that rate by reason of subsequent charges being thrown upon that rate; is that not so?—It is.

Sir J. Elliott, B.P.
19 Oct. '99

Local authorities could carry out a satisfactory valuation.

Collection of rates in Belfast. Symon.

Valuation of Belfast too low. Effect upon borrowing powers.

Rate. Statutory limitation of 3d. of

Mr. J. B. Dugg, M.P.

19 Oct. 79

Localities. Their value should be as Imperial charge. Imbecile children. Their education should be undertaken by central authorities. Vacant property should be rated.

24,324 With regard to the lunatic asylums, I think you have given us very much the same evidence as we have had with regard to Great Britain; you consider that the charges in respect of lunacy and education of that kind should be regarded rather as general than as local charges?—I do.

24,325. I suppose you do not think that Provincial schools would have any particular efficiency in regard to the development of sprouts of intelligence in imbeciles more than any other school. What you mean is that you want a larger area provided for dealing with the cases of imbecility?—Precisely, and that by that larger area you would get a better class of teachers—the school would be larger.

24,326. The teaching should be specialized?—It should, and it is a special study.

24,327. Now with regard to vacant properties; I understand you to suggest that there is vacant property in the area of Belfast or any other similar community which by reason of the industry and well-to-do population of others receives the enhanced value without the owner doing anything to contribute to it?—Yes.

24,328. And you think that enhanced value due to others than the owner should be put upon contribution for public purposes?—Whether enhanced value or not, I think there is a value in it, and it is held there, and I think that inasmuch as it derives benefits from being within a watched and lighted area it should contribute something. I would not put such a tax upon it that it would make it an undue burden, but I think it should contribute something.

24,329. Wherever any place continues of value, or is increased in value by reason of the efforts of others, and the expenditure of others, it should be in equity compelled to contribute to something?—It should.

24,330. (Mr. Dalton.) With reference to the education of imbecile children in Ireland, is that now a local or a national charge?—Unfortunately, we have nothing of the kind. Of course, if the poor child gets in amongst a lot of scholars in a poor-house, it goes, if it has any intelligence to be educated, to the national school, part of the equipment of which is provided by the State under the Schools Act, but in reality there is no special department where that child can be educated.

24,331. Would you regard the education of imbeciles as properly a national charge?—I would.

24,332. The same as lunatics?—Yes.

24,333. Then your proposal to set up provincial schools is not that they should be set up at the cost of the ratepayers, but at the cost of the State?—At the cost of the State.

24,334. And you say that cannot be done under the existing law?—I do not think so, as I do not think we have any means. I would not like to traverse too strong an opinion, but if it can (and I do not think it can) then it should be undertaken as an Imperial duty.

24,335. You think that every ratepayer who is of opinion that he is over-assessed should have a right of appeal?—Yes.

The witness withdrew.

Mr. JOHN BAIRD Dugg called and examined.

24,340. (Chairman.) We understand that you are clerk to the Balingglass Union, County Wicklow?—Yes.

24,341. How long have you held that office?—29 years.

24,342. This memorandum* which I hold in my hand is a memorandum prepared by you for the Commission?—Yes.

24,343. We shall print this memorandum, so that I need not take you over it, and especially I need not go into the question of Griffith's valuation and how it was made, because we have had that from other sources. Will you look at paragraph 14 of your memorandum? I do not expect follow the statement which is intended to be drawn from the paragraph, perhaps you will state to me what it is?—Under the circumstances which existed prior to the Act of last year, a landlord receiving a ground rent of 30s a year was liable to half the poor rate assessed on that amount, now he is only liable to half the

24,336. Has he at present any right of appeal?—He has.

24,337. He has the right to ask for a re-valuation?—He has.

24,338. But what appeal has he got if the Government value houses upon keeping to his valuation?—The machinery would be that he writes to the town clerk stating, "I wish a re-valuation of my premises." The town clerk then sends that to the Government valuer; that Government valuer either reduces or probably increases his valuation. I have had one case myself in which I had premises valued at 60s. I met the valuer and told him I had let part of them; would he kindly look into it and value it. He came to my shop with great pleasure, and he valued the shop at 70s and the store at 60s.

24,339. Have you any appeal against him?—I have not, because I suppose it was the correct value, and inasmuch as I had asked for it it was one of the old valuations.

24,340. My point is, supposing you differed from the Government valuer?—If he appeals the moment he asks for a re-valuation, then the right of appeal would exist after that, and he goes to the Recorder, who is the judge in our district.

24,341. You heard Mr. Bulmer's evidence as to the objections to the system of differential rating in Belfast, especially with regard to the police rate, is that right?—Yes.

24,342. Do you agree with it, or not?—As a principle I agree that the differential rating is not a desirable one, but you must remember that we found it in existence, and that the corporation of Belfast have not perpetuated it; they have allowed it to remain in the original Act, but all their own Acts that have been passed afterwards, their Improvement Acts, have all been based upon one general taxation.

24,343. You object, then, generally speaking, to a differential rate?—I do. I think that each man should pay his quota of taxation. But you must also remember that the effect, as I suppose, at first was to relieve the poorer class of the population, the artisan class, in relation to that. I think that was the ground of it.

24,344. Do you not think there was some good ground for that?—I think there was.

24,345. With regard to the costs of the police, for example?—I am afraid that that is the least desirable point, if you take the value derived from the police. You may take the value of watching as representing a larger element in relation to the richer population, but if you take the question of the preservation of the peace, then I think possibly the poorer population requires more of their attention.

24,346. Requires more?—Yes.

24,347. Do they benefit more?—I do not know; I think the economy does benefit by the lawless being kept in order.

24,348. In proportion to numbers, are the poor more turbulent than the others?—I do not know that they are.

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19 Oct. 79

Differential rating in Belfast. The system is not desirable.

Mr. J. B. Dugg

Certain objections raised. Amounts raised on land, not on buildings.

24,353. You will excuse me, I have no doubt it is my fault, but I do not quite understand what that has to do with the possible. "To what extent real and personal property contribute to local taxation." Surely the house which holds the house is not owning real property, in the strict sense of the term, he owns personal property?—Yes, but he pays more.

24,354. I have a strong suspicion that the term "real and personal property" in the first words of that paragraph is not appropriate to the point now under discussion?—I think you are right possibly according

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to law, because I am of opinion—I do not know whether it is law or not—that a house should rank as personal property, and that it is different from the site on which it is built.

24,355. Without some explanation of what the terms are really intended to mean, it is useless to go on examining the paragraph. I want to understand what is intended to be described as personal property in the first sentence of that paragraph?—I describe as personal property the house built by the lessee; I describe the land upon which that house is built, the property of the lessor, as real property. Hereafter that real property was taxed to the extent of 2½d. in the £, in future it will be only taxed to the extent of 1d., with the result that there is a relief given to the lessor of 3½d. in the £ on that particular item.

24,356. That I understand to be a state of matters which refers entirely to built-on property; you are not dealing with agricultural land at the moment?—No, I am not.

24,357. Will you explain to me whether that is not on account of the provision in the Local Government Act which takes half the standard rate of the year as the burden which is to be put upon the owner, the ratepayer, whether increased or decreased, is to the advantage or disadvantage of the occupier?—I do not apprehend you.

24,358. I will put my question as I put it at first—generally. What is the precise lesson, the inference, you want us to draw from the statement of facts which you give in paragraph 14?—That the owners of ground rents have been relieved, owing to the operation of the Local Government Act, of a certain burden in local taxation which they heretofore bore.

24,359. Does the lessor pay less than he did in the past?—He does.

24,360. Under what provision of the Act?—Under that provision which only imposes on him the burden of allowing a deduction to the tenant of half the rate in the standard year.

24,361. I do not quite follow that?—Under the Act there will be an adjustment of rent on holdings which are not agricultural land, and the adjustment is that the lessee is entitled to deduct from his rent, not one half the actual rate that was struck, as in the past, but one half the rate in the standard year.

24,362. Is the defence of that not the fact that it is the lessee who is responsible for the future expenditure?—Yes.

24,363. He is the voter, and the person who controls the expenditure?—Yes.

24,364. What I want to ascertain is whether your complaint is that in future the lessor will pay less than he did in the past, or that he will only pay relatively less than he did in the past?—He will pay less than he did in the past in the case I put before you. It is a typical case.

24,365. What is the precise object of drawing in the difference between real and personal property here. The property remains the same: what was real property before is real property now, and what was personal property before is personal property now?—The object was to show that personal property will be in future taxed more than it was in the past.

24,366. (Mr. Elliott.) Do you mean to say that the occupier of rateable property will pay more in the future than he did in the past?—Yes.

24,367. You mean nothing more than that, do you?—That is all.

24,368. (Chairman.) I have read paragraph 14 very carefully several times, but I am wholly unable to understand what is the inference that I am supposed to draw from it?—The rate in the standard year in my case was 1s. 6d. in the £, and in the future, no matter how high the rates may go up, the lessor is only charged with half that standard rate in the £ on the rent he receives.

24,369. That I follow. Is it that provision of last year's Act that you complain of?—Yes.

24,370. Of course the lessor has no possibility of influencing the increase or decrease of the rate?—As a citizen of course he has.

24,371. But he has no vote as he is a lessor?—In Ireland a 12 freeholder is entitled to a vote.

24,372. Is he necessarily a 12 freeholder?—As a rule the owners of property are 12 freeholders.

24,373. (Mr. Smith.) For local purposes is that so?—Yes. With regard to the vote of a lessor, the lessor is entitled to be registered in every man in which he has property, but he can only exercise the franchise in one man.

24,374. Do you mean the Parliamentary franchise?—The local government is the same, with certain additions.

24,375. (Mr. Elliott.) Would Lord A. in this particular instance that you cite have a vote?—Yes, for a 12 freehold.

24,376. (Mr. Dobson.) What was the standard rate last year?—1897 is the standard year.

24,377. Was the rate in that year particularly low in this union?—It was about normal.

24,378. You say the average rate is half-a-crown?—That was average rate in this particular division, which was one of the highly-rated divisions. It was the division in which the town is situated.

24,379. If the average rate was half-a-crown, how did the rate of the standard year 1897, which was the average rate, come to be 1s. 6d.?—The average rate of half-a-crown applied to the electoral division in which the town is situated.

24,380. (Chairman.) I have read your paper, and I understand many of the paragraphs to contain a complaint of the unfairness or inequity of certain taxing provisions in the Act of last year?—Yes.

24,381. You object apparently to the settlement which was then made as to the standard rate, not to the valuations being put on the occupier; that is the object of many of the paragraphs?—Yes.

24,382. Does paragraph 14 mean anything different from that, or is it intended to supplement it?—I do not mean anything further than that. I agree with what you say.

24,383. It is an illustration of that particular provision of the Act of 1896, which you think an unjust one?—Yes.

24,384. I am right in saying, am I not, that down to the end of paragraph 27 that is really the burden of your memorandum?—Yes.

24,385. Before I go from that I should like to have a further explanation of the words at the end of paragraph 24, "It is significant that 'buildings' will now bear a higher poundage rate than 'land,' a fact which is opposed to the principle held by economists of 'authority.' I will not take you on to those principles for the moment, but how does it come that buildings will bear a higher poundage rate than land?—Because the sum that the agricultural grant amounts to in the £ is deducted off the rates on lands. For instance, in the county of Kildare, where the rate has recently been struck, the rate upon land is, I think, 11s. in the £, and upon buildings is 9s. in the £; the rate on the whole of the rural district would be 1s. 6d. in the £ both upon houses and upon lands, but the agricultural grant enables the rate upon land to be reduced to 11d.

24,386. That only means this, does it not, that the Government's subvention will pay half the rate on land, but it does not pay anything on buildings?—It is supposed to pay half the rate in the standard year on certain expenditure, not so the whole expenditure taken altogether, but on expenditure which ranked as year relief expenditure. It does not exactly amount to half the rate, it amounts to a fraction less.

24,387. Was my way of stating it correct or not—that the amount received from land and from buildings would be the same, except that the Government's subvention is used to pay half the rate upon land, and buildings are not relieved?—You are not quite correct. It is not exactly half, it is a fraction less than a half. But your principle is right. In estimating the rate in the standard year certain charges were excluded, so that it would not be quite correct to say half the rate—not a somewhat less than half the rate.

24,388. For what purposes will buildings, as you say, bear a higher poundage rate than land?—For general purposes, in the manner that I state; a separate rate will be struck upon buildings, which will be considerably higher than that upon land.

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24,349. Who do you think is prejudiced by that?—The occupiers of buildings in towns will be.

24,350. Surely you must compare the result to the person who is taxed in the same district? Let us take a country district for the moment: Do you hold that the occupier of buildings in your union is prejudiced by the abolition of the system?—The occupier of buildings in the small country towns is decidedly prejudiced.

24,351. Why is he prejudiced?—The amount of rate which is struck on his buildings is practically as much as it was heretofore, when he was entitled to deduct half of it.

24,352. Somebody else has got half relief, and he will pay the same as he did before?—Yes.

24,353. He is not made to pay any more because the other man has got half relief?—No, not at present, but if the taxation goes up in future he will.

24,354. Quite so, but he is the voter, is he not, who influences it?—Yes.

Labourers
Act (Irish).
The
smaller
farmers
have too
large a
share of
the cost,
having
regard to
the benefit
they
receive
compared
with the
larger
farmers.
Effect of
Local
Government
Act.
Provisions
of the
Land Act
are not
carried
into effect.

24,355. Paragraph 29 dealt with a question which, I believe, is peculiar to Ireland, and with which I am not familiar; I should like to have the precise wording of which it apparently complains explained to me?—Cottages are built for labourers, and the cost of these cottages will fall on the community at large. As a rule, it is only large farmers who employ day labourers. When I speak of day labourers, I mean labourers as distinguished from those who are servants kept in the house. The loss entailed by the erection of these cottages, I think, is a very serious one to the small farmers, especially as they derive no benefit from them. The small farmers are like the church-wardens—on the aggregate they cannot to more than the large farmers—and actually the burden of housing the labourers belonging to their richer neighbours is practically thrown upon them by the Act.

24,356. I will endeavour to explain to you what my difficulty was in reading that paragraph. You seem to me in the last two sentences the terms "small farmer" and "occupier" as if they meant different things; surely all farmers are occupiers, are they not?—They are.

24,357. What is the precise grievance which apparently is the point of the paragraph as stated in the words, "It is clear that the entire cost will fall upon the occupier"?—It is "as regards the cost of the ferret operations under the Labourers' Act; it is clear that the entire cost will fall upon the occupier."

24,358. That includes the large farmer as well as the small one, does it not?—It does.

24,359. And the large farmer as well as the small one—the small one as well as the large—paid in the past, did he not?—Yes, but in the past the occupier, whether he was a large or a small farmer, was entitled to deduct half the mortgage rate from his rent; now that concession will cease.

24,360. That being one part again of the settlement of last year?—Yes. Then, comparing the small farmers with the large, I point out that there is a yearly loss, to the ratepayers of about 4s. per cottage.

24,361. For every cottage that is built?—For every cottage that is built the community loses 4s. a year, and as the majority of the community are small farmers who do not employ these labourers, I think it is very hard upon them to be called upon to pay for houses which are a benefit to their richer neighbors.

24,362. Did they not pay in the past?—Yes, but when they paid in the past they were allowed the one half, in future expenses they will not be.

24,363. But all past operations are included in the standard rate of the year 1897?—Yes; that was included.

24,364. So it is only the operations which they undertake in the future in which they will be prejudiced?—Yes.

24,365. And they are the people who control the operations which will be undertaken, are they not?—Yes. As a matter of fact, in consequence of the change to the incidence a proposition was made in my union to abandon a labourers' cottage scheme. I am happy to say it was defeated, because cottages were very badly wanted.

24,366. I saw a good deal in paragraph 31 which is perhaps rather wide of our subject, but with much of it I cannot help expressing my personal and (only for myself) my rational agreement. I should like you to put to me in distinct language what it is you suggest should be done. I am not quite sure that it is within the scope of our reference, but I should like to understand really what it is before I come to an opinion on that point?—Under the Land Act—I think the Act of 1870, where a fair rent was fixed—the rent could order the occupiers to build a cottage.

24,367. (Mr. Arthur O'Connor.) He is legally bound to do so?—Yes.

24,368. The court is legally bound in fixing the rent under circumstance which appear to them to justify the establishment of a labourer's cottage, or of any number of labourers' cottages, on a certain holding, to require the owner or the occupier to provide for the number of cottages which is recognised as necessary?—Yes.

24,369. (Chairman.) As I understand, the burden consequent upon that would fall upon the occupier or the owner?—Probably.

24,370. It would to an individual burden to oblige him to discharge what I think you describe as his individual duty?—Yes.

24,371. Apparently the part of the complaint which we have been previously discussing deals with a state of matters which has superseded that, and which lays the burden of building the cottages upon the community?—Yes. The Act was practically inoperative. I think that under the Land Act there were not more than three cottages built in my union, and we have built 145 under the Labourers' Act. That shows that the Act was inoperative. One reason why I advocate the individual responsibility is that I think it is deplorable that the public money granted as a low per-centage cannot be utilized to advantage; when you get money repayable at 4 per cent it should be utilized without loss to the community.

24,372. Is it your opinion that this system of providing cottages at a loss, which has fallen upon the ratepayers, the cottages being for one class of the community, should continue?—No, it should not continue at a loss.

24,373. If I understand your argument the loss is inseparable from it; you cannot get the money out of the occupiers to pay the interest upon the cost of the building?—There is a good deal of the extravagance to be attributed to what is commonly called red-tapeism. The preliminary expenses per cottage amount to about 40s.—say between 30s. and 40s.

24,374. What do you mean by preliminary expenses?—The expenses independent of building. There is the expense of the guardians' engineers, the arbitrator of the Board of Works, the guardians' valuator, advertising and printing, the local inquiry, the clerk's remuneration, the medical officer's remuneration for inspecting the cottages and recommending them, and the legal expenses of investigating the title. As a matter of fact, in one case in which we paid 16s. for the complete of the site the legal expenses were 27 guineas. You can get a pretty extensive estate conveyed nearly for the same price that you can half an acre for a cottage.

24,375. (Mr. O'Connor.) I should like to call your attention to paragraph 22 of your recommendation: I think you say there that, taking the occupiers of Ireland as a whole, they will gain to the extent of £22,000, by this arrangement?—Yes.

24,376. That is about 2½ per cent, is it not, on the existing rates?—I presume you are right.

24,377. So that before the occupiers as a whole will lose, there will have to be an increase of expenditure by about that per-centage?—Of course the way the matter stands is that—in any electoral division under the new system of union rating, where the old rate had been over and above the amount in the standard year the occupiers will be gainers to some extent or other; but in any electoral division where the ordinary rate in the past, the electoral divisional rate, was below the standard year rate, they will lose by this system.

24,378. I notice in paragraph 23 you give an instance of an estate in which both tenants and landlords gain?—Yes.

Labourers
Act (Irish).
Cost of
building
not
apportioned

Local
Government
Act (Ireland)
Effect
upon
occupiers

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24,413. I want to get from you whether that is really a typical case, or whether the majority of the cases are the other way?—What I said partly explains that in this way. The average rate in my union was 1s. 6d. in the £ in the standard year, and in the electoral divisions in which the normal rate was over 1s. 6d. in the £ they will gain something. In this instance that I gave you, 2s. 6d. was the highest rate we had, and it was in our town division, which was always the highest rated. In any electoral division in which the rate varied from 1s. 6d. to 2s. 6d. there will be some gain, but in any electoral division in which the rate was under the 1s. 6d. and it was in some divisions as low as 8d., they will lose.

24,414. Then does it not come to this, that in a certain number of cases the tenants will gain and in a certain number of cases the tenants will lose, but that in the aggregate, taking the whole of Ireland together, the tenants will gain?—Yes, in the aggregate, taking the whole of Ireland, they will gain the £22,000.

24,415. Therefore your complaint is that some special provision was not made in order to meet those cases in which the tenant will lose, and that the general principle applied over the whole of Ireland did not benefit every locality?—That is so; it did not benefit every locality. The gain to the smaller tenants as of a very trifling character. Take the case of a tenant with a valuation of 50s. All he gains by the grant, in round figures, I will say is 8s., but I have tried to show you there that he loses as a matter of fact—as the agricultural grant is raised from 2s. 6d. to 3s. 6d. a head, Irish families are pretty large, and, assuming that he has seven three-and-fourpences, he will lose 23s. 4d., so that the net benefit is only 6s. to a tenant of a 50s. valuation. On the other hand, if you take a large gentleman farmer, with a valuation of 500s., he receives, say, 1s. 6d. in the £, 45s. a year from the grant; he only loses 1s. 6d. as an individual, the same as the smaller occupier, with the result that he has a net gain of 43s. 10s. 8d. Even if taxation went up 5d. in the £, on the whole, which would amount to a large one, all he would lose by an increased taxation of 2s. 6d. in the £ would be 50s.; that would leave him a net benefit of 43s. 6d. still. Be that the grant operates really to the advantage of the larger landholders more than it does to that of the smaller ones.

Valuation
Act (1907).
Oct. 20.
Con of
Irish
cottage.
Value on
the rate.

24,416. There is just one more question; I want to ask you about the charge for the cottages. Does that 1s. 7s. yearly, shown in paragraph 28, include the sinking fund? You say, "Loma, 181s. 4d. 2s. 6d. per cent."—Yes, it does include the sinking fund. The sinking fund is about 1s. 1s. I show a yearly loss of 4s. 5s., and if you take the 1s. 1s. for the sinking fund off, the net loss is 3s.

24,417. Who settles the rent to be paid by the occupier of the cottage?—The rural district council. An extraordinary complication has occurred under the Local Government Act. The Local Government Board have advised us that the occupiers must pay rates, and we are to reduce the rent somewhat, about a halfpenny a week. We are to reduce it from 1s. to 11s. The labourers who find it difficult to pay 1s. a week will find it extremely difficult to pay 4s. 4d., the total poor rate on their cottages, in one sum, in that the collector told me that he had served 144 demand notes, and had only got one payment.

24,418. (Mr. Smith.) In paragraph 31 you say, "For one cottage erected by a board of guardians there could be erected by a private individual for the same amount," is that in consequence of these preliminary expenses that you speak of?—Yes, assuming our total expenditure is 100s.—

24,419. What is that for—one cottage?—Yes; assuming our expenditure has gone up to 100s., there is 40s. spent in these preliminary expenses.

24,420. Then you build a cottage for a hundred pounds do you?—Yes, a hundred pounds, taking off 25 per cent. as builder's profits, that would leave from 75s. to 65s.

24,421. Do you mean to say that for 65s. or for 75s. a cottage can be built in Ireland by a private individual?—Yes, I am sure that if the private individual could obtain 65s. from the Board of Works he would build as good a cottage as we put up on the standard plan.

24,422. A cottage that would pass the ordinary ordinary rules?—Yes. There would be a large saving effected. The farmer who would build it would have the bare labour free, and possibly he would have land

free and stones lying about. There are many ways in which he could save, so that I think I am justified in asserting that the 100s. would build two cottages instead of one.

24,423. I want to clear up this question about the landlords voting; landlords have votes for Local Government purposes in Ireland?—Yes.

24,424. The principle being that the landlord paid half the rates?—Yes.

24,425. But where a judicial rent has been fixed he pays no rate?—He will not in future, practically he does not at present.

24,426. Does he still retain a vote?—He does.

24,427. Still?—He still retains a vote.

24,428. Although he pays no rates?—Yes.

24,429. Does that not strike you as a little singular?—Well, sir, that is the fact.

24,430. (Mr. Arthur O'Connor.) I want to deal only with broad outline matters. Starting with Griffith's valuation, do you say it is satisfactory or not?—It is unsatisfactory.

24,431. It is out of date and obsolete?—Yes.

24,432. Unequal?—So I believe.

24,433. And results in numerous anomalies?—Yes.

24,434. Do you think there can be a system of valuation, in substitution for that which now obtains under the name of Griffith's valuation, conducted by local authorities with right of appeal to a superior authority in individual cases?—I do, with this proviso, that the local authorities should employ persons with an engineering qualification.

24,435. We will assume that they do their work properly. You are aware that that system of local valuations obtains in Great Britain?—Yes.

24,436. And you will be so far from of some such thing being established in Ireland, instead of the present anomalous unequal valuation?—Certainly.

24,437. What do you say about the findings of the Land Commission in respect of rents as furnishing an approximate standard; would that be of any use?—It would. I think I have pointed out in the memorandum that rents have been fixed in three-fourths of the holdings in Ireland at the present time, and that there will be only one-fourth more to deal with.

24,438. Therefore there is practically established throughout Ireland a standard more or less approximating to the facts of the case which would enable a valuation to be carried out very easily without any very great difficulty?—Yes; I think it is a fair standard, and, assuming, for the purpose of argument, that it was 20 per cent. under the present valuation, it would do for rating purposes when it is a relatively fair standard.

24,439. What do you say about the present system of annual revision of Griffith's so-called valuation, is it satisfactory or is it not?—It is unsatisfactory.

24,440. It is a mere farce?—Yes.

24,441. It is private and unlooked?—Yes.

24,442. Arbitrary and worthless?—I will not say worthless, but it is unsatisfactory. I strongly would advocate the valuer sitting in a public court, and taking evidence and giving notice to the parties. As I think I stated in my memorandum, the valuer comes down in a country hotel, he issues a notice to the clerk of the union to send in the collector to meet him, and the valuation has been very often performed there without even an inspection of the premises, on the word of the rate collector.

24,443. It is a revision only in name in many cases?—It is not a revision.

24,444. It is not even worthy of the name of revision?—No.

24,445. The existing system, I suggest to you, results in very unequal assessments; you may have inferior houses or holdings valued at higher figures than neighbouring houses of very much greater value?—Yes. Independent of the valuation I will try to steer clear of that point—the system is objectionable. As a matter of fact, our county court judge had to threaten that he would remove the quarter sessions from our town in consequence of the insufficiency of juries; he had an insufficient number of names on the grand jury panel, and the cause of that was the revision of the valuation lists.

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Local
Government
Act (1907).
Land-
owners
votes.

Valuation.
Griffith's
valuation
is obsolete.
The valua-
tion should
be conducted
by local
authorities.
Rents as
fixed by
the Land
Commission
would be an
approximate
standard.

Valuation.
The annual
revision as
carried out
is unsatisfac-
tory.
Instances
of low
valuations.

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24,452. That is to say the valuation was so low?—No, but franchises were rated by some, so as to keep the malice from serving as jurors.

24,453. That is an irregularity; that cannot possibly touch the question of the value of the property?—No.

24,454. Let us not go into collateral matters. I will take the case in your own district of Homewood Castle, what is that valued at?—£751.

24,455. What is Kylemore Castle valued at?—£2251.

24,456. What are the comparative values of those two places?—Of course I am not an expert.

24,457. Do you think those figures represent the comparative value?—I should think not.

24,458. Anything like the value?—No, I think they do not. As a broad question, when a person spends £5,000, and sinks so much money in a building, it is hard lines to tax him as it is.

24,459. But with regard to that it would be the same in England as in Ireland?—Yes.

24,460. What do you say with regard to the costing of what would be district charges upon larger areas?—I think that it is a benefit on the whole.

24,461. Do you think that it is fair to charge a whole rural district with the cost of lighting a town?—No. There are special expenses, sanitary expenses, which I think should fall upon the property benefited.

24,462. The cost of lighting a town would be a local charge on the area benefited?—Yes.

24,463. Now it is thrown over a very much larger area?—Yes. When I stated that I believed in having the expense extended over a larger area, I meant the relief of the poor.

24,464. I was only speaking of those things which were district charges, principally being sanitary work, you think it is not fair to throw any portion of that charge upon persons who do not share in the benefit?—In my opinion it is not. As a matter of fact, recently we had to make a special main sewer, and the necessity for it was to enable a certain landlord to connect the out-offices of his houses with this sewer. But that main sewer was a cost upon the community at large, and really it was made for the benefit of three or four houses belonging to an individual.

24,465. Now let us go to the question of ground rents; ground rents in future, I suppose, under the Local Government Act, will bear only half the standard rate?—That is all.

24,466. Is that half the ordinary rate?—It is not half the ordinary rate that has obtained where ground rents were paid.

24,467. The difference will fall upon the occupiers?—Yes.

24,468. Have houses in Irish towns generally been built by landlords or have they been built by occupiers?—They have been built by the occupiers.

24,469. Have they been repaired and renewed and kept up by the occupiers or by the landlords?—By the occupiers.

24,470. The occupiers who have built the houses and kept them in repair, having to pay to the landlords who never put a stone in them rent for them, have they not?—Yes.

24,471. Do you know whether that system obtains in England?—I believe not.

24,472. May I put it to you that the simple position is this: that in Ireland from this time forth the occupiers pay all the rates, speaking generally?—Yes.

24,473. All the county cess and all the poor rate?—Yes.

24,474. Subject to this qualification, that there is a contribution from the Encroacher?—Yes.

24,475. But no contribution from the landlord?—None from the landlord.

24,476. Now—not that I want to be personally—but in order to clear up a matter with regard to these Labourers' Acts, I understood you to say that there is no undue burden thrown upon the ratepayers now by the fact that under the administration of the Land Acts no at present carried out, labourers' cottages, which ought to be built at the expense of individual farmers, have to be provided by the ratepayers?—Yes.

24,477. The Land Acts providing that where a farm is of a certain minimum value the Land Commissioners shall direct what accommodation shall be provided for labourers as a condition for fixing the rent of the farm, whereas in fact the provision of the Act is disregarded, and accommodation for the labourers has to be provided at the public charge?—Such is the case.

24,478. (Mr. Dalton.) You say that for the purposes of a re-valuation of Ireland a proper basis would be the rents fixed by the Land Court; do you mean that the valuation is to be the rent, or merely that the rent should be an element taken into consideration in fixing the valuation?—I mean that the rent should be taken as the valuation.

24,479. Then if you had that why would you require valuers and so forth?—You would require valuers to value the one-fourth of the holdings in Ireland which are not yet valued.

24,480. Only those?—And you would require them for the purposes of annual revision.

24,481. And if you take the rent fixed by the Land Court as the valuation, that does not represent the whole value?—No; you would also require them for house property.

24,482. But where there is a house the tenant is part owner, is he not; has not a tenant a house?—The tenant generally has a house.

24,483. You say he has built that house himself?—Yes, that presumption is acknowledged in the Land Act, where the buildings are recognised to be the tenant's, except where the landlord can show to the contrary.

24,484. If you take the judicial rent of the holding you will leave out, to start with, in the valuation, the rent of the house?—It is a very small element in the matter.

24,485. You would leave out any other permanent improvements that the tenant had erected out, and that he had been allowed for in fixing this rent?—No, because under the decision in *Adams v. Dunsnett*, improvements were an element in fixing the rent.

24,486. Yes, in fixing the rent I suppose an improvement that has been carried out by the tenant is allowed to the tenant, and a deduction is made from the letting value of the premises on account of that improvement, is it not?—Of course not being consistent with the practice of the Land Courts, I cannot explain the matter fully, but I am under the impression that the tenant's improvements form an element in fixing the rent. It rested with the Commissioners to determine how much a landlord was entitled to and how much the tenant was entitled to, and the share of the inherent properties of the soil the landlord was entitled to in fixing a fair rent.

24,487. Then in fixing these rents the total value of the premises is taken in the first instance?—It is taken in the first instance.

24,488. Do you think that the result of a re-valuation would be to increase the value of properties in most parts of Ireland or to diminish them?—It would diminish the value, I believe, of land, and probably increase the value of houses.

24,489. Then if the value of the houses in a town was greatly increased the rate in the £ would go down probably?—Yes.

24,490. That would be the case in a great number of those cases where you have the ground rents; you would expect in the future a fall in the rate in the £ there?—If the valuations were increased considerably, it would lead to a fall.

24,491-2. Then if it does lead to a fall the rate will become below the rate for the standard year?—Yes.

24,493. If it falls from what it was in the standard year is consequence of having a proper valuation of the premises?—Yes.

24,494. Then the occupier in such a case as you have mentioned in paragraph 14 will gain instead of lose, will he not, by having this standard year arrangement?—The occupier would gain proportionately.

24,495. (Mr. Arthur O'Connor.) He gains in the poundage but not in the total?—Yes.

24,496. (Mr. Dalton.) Taking your case here in paragraph 14, the standard rate is in 6d. in the £?—Yes.

24,497. And the owner of the ground rent here is for the future to pay one-half of that?—Yes.

Areas over which charges should be imposed. Question of benefit received discussed.

Local Government Act (Ireland). Effect upon occupiers.

Labourers' Acts (Ireland). Too large a burden falls on the ratepayers. Instead of

Mr. J. R. Dugg. 19 Oct. '99. Re-valuation of Ireland. Basis of valuation. Land Court. Judicial rent. Improvements. Ground rents. Standard year. Valuation of premises. Occupier's gain. Standard rate. Ground rent. Future payment.

24,496. That is to say he is to pay 6d. in the £ on his 10s. ?—Yes.

24,498. He has to pay that 6d. in any case ?—Yes.

24,500. Supposing the standard rate owing to the valuation going up falls from 1s. 6d. to 1s., the owner of the ground rent, if it had not been for this arrangement, would have paid 6d. in the £ ?—Yes.

24,501. That is to say he would have paid 3d. ?—Yes.

24,502. Therefore the result of this arrangement is that in such a case as this the Legislature has kept upon the owner of the ground rent a larger charge than would have remained upon him if he had not had this legislation ?—Yes.

24,503. Is such a case as that ?—Yes.

24,504. Where is the grievance ?—The grievance is this, that I think it is not probable that the rate will fall to that extent.

24,505. But I thought we had just come to the conclusion that in those urban districts the result of a re-valuation would be to greatly increase the value of the property with the result that the rate in the £ would fall ?—It would fall, but it would not fall to that extent.

24,506. But if it fell at all, the owner, by the present arrangement, would pay more, and not less than he would have done if this arrangement had not been made ?—His burden in the case that you suppose would be less than the burden put upon him by the rate in the standard year; but that was considerably less than what he bore in the past, under the ordinary circumstances.

24,507. What did he bear in the past ?—He paid half of 2s. 6d. in the £.

24,508. No, he paid half of 1s. 6d. in 1897 ?—Yes, it was the half of 1s. 6d. in 1897, but prior to that he paid half of 2s. 6d.

The witness withdrew.

Adjourned till to-morrow at 11 o'clock.

FIFTY-NINTH DAY.

Friday, 20th October 1899.

At St. Stephen's House, Victoria Embankment, S.W.

PRESENT:

THE RIGHT HON. THE LORD RALFOUR OF BURLINGHAM, Chairman.

The Right Hon. Sir J. T. RUSSELL.

The Right Hon. C. B. STUART-WORTLEY, Q.C., M.P.

C. N. DALTON, Esq., C.B.

H. E. CLARK, Esq.

T. H. RUSSELL, Esq., C.B.

ARTHUR O'CONNOR, Esq., Q.C., M.P.

E. O. SMITH, Esq.

ARTHUR WILSON FOX, Esq., Secretary.

T. LAWRENCE DAVIES, Esq., Assistant Secretary.

COLONEL NIELAN called and examined.

24,512. (Chairman.) You are, I understand, Chairman of the Gateway Company Council ?—Yes.

24,513. We know that you have been in Parliament and have had experience of affairs. I understand from previous communications that the first of the points to which you wish to direct attention is the excessive contributions paid by some forms of real property for the maintenance of the poor, for roads, for the administration of justice, registration matters, and things of a similar kind ?—Yes. Upon those points, of course, there is a great difference of opinion. It is a question of principle, and I suppose everyone has his own views modulated to a certain extent by the neighbourhood in which he lives, and the form of property, not only that he holds himself, but which his friends, constituents, or electors, wherever they may be, hold. But it seems to me now that this charge of the poor

ought not to be thrown on practically one class of property, and that there has been a great modification in the last half century in regard to that. In former times, people used to say real property should pay for the poor, because whether they are landowners with tillage farms, or whether they are manufacturers, they have brought the poor there, and they have made money out of the poor—they have made money out of their labour—and consequently they ought to be bound to pay for the poor; and a very fair argument it is if you grant the premises that they brought the people there. I do not think that applies at present in the greater part of Ireland. It may in a few manufacturing centres. We have not many manufacturing centres in Ireland, but it may apply in a few manufacturing centres; I doubt even if it applies in the manufacturing centres in England; I do not think the employer can be said to

Mr. J. R. Dugg.

19 Oct. '99

Colonel

Nielan.

20 Oct. '99

Chief

Notes

23 Oct. 95

bring the poor there in order to make money out of them. He doesn't want to do that, but certainly not in my county.

24,520. Have you ever had suggested to you that perhaps a principle might be found by which expenditure of this sort and class might be divided into two categories—that which is, so to speak, common or national, and that which is beneficial and benefiting a particular property in the district?—Yes, I think that would be a fair division, but the manner in which I should divide it as between what had come from general and Imperial sources, and what had come from local or property sources, would perhaps be slightly different; but it should practically come to much the same thing. I should be inclined to throw on the landowner a portion, if not the whole, of such burdens as they could keep low. There is no doubt that very valuable assistance in keeping down the rates for the poor, and in keeping down the cost of the roads, can be afforded by people in the locality; if it was entirely managed from Imperial resources there would be a wish to spend as much as possible in the terrible neighbourhood.

24,521. Just take the case of the support of the poor as an illustration. I understand from what you say that you would attach—and I venture to say truly attach—a great importance to the local knowledge being applied to the administration of the poor laws?—The greatest. I was chairman of the Thom Board of Guardians for about six years, so that I am pretty well acquainted with that portion of the subject. We have our relieving officers certainly, but the chief means of knowing what people ought to get out-door relief and what people ought not, was supplied by the guardians of the locality who were elected, and who knew these people. They were divided between two opinions—one a very natural wish to relieve suffering, and the other an equally proper and legitimate desire to keep down the rates.

24,522. But, at the same time, I suppose you would agree with me also, that it is of importance to the nation that the management of the poor should be on certain well-defined and sound principles, and that it is sufficiently the interest of the nation to have those principles carried out that they should be called upon to contribute in some way which gives them a right to have a voice in the management, and see that those principles are carried out?—I have no objection at all to Imperial control. I think Imperial control very valuable, when it is not exactly busy. I think that sometimes it becomes busy. I will give a case in point which I have, where, for example, the Local Government Board of Ireland may be too anxious to see that there is no interest charged on current accounts, that becomes a matter of really very great financial importance. The sum involved is not very large, but you sometimes have a board of guardians, so it is now, and you will soon hear of a county council or a district council, becoming bankrupt. There will be reports in the paper that such and such a council has become bankrupt and unable to meet its engagements.

24,523. I was not just for the moment going into such detail as that. I have no doubt in your district you have exceptional difficulties, because your district is not a very rich one?—And some of it is very poor.

24,524. What I rather want to get from you for the guidance of this Commission is to see if we can lay down some sort of general principles which would command your approval as the chairman of a county council, and are interested in local administration. Perhaps you would say whether you have any suggestions to make?—I think, on the whole, the contributions to the localities were quite inadequate up to the last six months. Of course, a very large sum has now been given under the agricultural grant, and as far as I can see in Ireland that has reached to the general poor or to the general landholders—in some cases to the general proprietors—in a more narrow way than it has in England. For example, I know one class which has benefited more than (probably enough), the others. I mean the landholders of small towns, who were never expected to get it; but they have reaped very great benefit from it.

24,525. Benefit from what?—From this agricultural grant. It is rather a funny thing, but the proprietors of the houses in the county towns of 3,000 or 4,000 inhabitants seem to me to have got, on the whole, rather more out of the agricultural grant than farmers. It is merely an incident in the taxation, but I believe it to be perfectly correct, and I have figures here that

I think will show it. But on the whole, it has tended to lighten the rates, and will lighten the rates very much. If you ask me is it adequate, I have got great doubts as to whether we ought not to get more from the Imperial Exchequer. I think we ought. As far as I know, we got out of 124,000 in the county of Galway over 50,000 more from the Imperial Exchequer.

24,526. (Sir John Lubbock.) Altogether?—Altogether, putting everything down.

24,527. (Chairman.) I want to get a little more into close quarters with you. I think I am right, and I met, that roughly speaking I may divide the poor law relief in Ireland into three classes—indoor, outdoor, and medical?—Yes, in this you will be perfectly correct.

24,528. The medical relief is, I think, largely subsidised by the Imperial Government at the present time, is it not?—Very largely; and I am not at all certain whether at present it is judiciously subsidised.—It was judiciously subsidised, but the medical relief of Ireland deserves the very greatest attention. The whole system of medical relief in the country places is going through a change, and is on a perfectly sound basis. To understand that you must go back to the custom that medical officers in Ireland, until very lately, used always to charge 10s. to the very poorest man for the first visit. We have not the same system as in England where you have your 5s. visit, or 2s. 6d., and probably in some cases, 1s.; and a medical man has told me he has taken as low as 6d. in the East End of London. That system was totally wanting a few years ago in Ireland. You have to understand that great difference. It is now changing and I will not say that it is quite the rule now. But at the present moment if you talk with a country doctor about what he charges for a visit you will not get him to admit that he takes less than 10s. he will not admit that. Although he may occasionally admit, and does admit in many cases, for less, he will not admit that. The result of that difficulty is that everybody, even a man who has got, say, 8 or 10 head of cattle, three or four horses and everything else in prospect, will even ask you for a red ticket. It is sometimes called by the doctors a "scarlet runner," because they have to go over four or five miles of road for it. They must work, it is a visiting ticket. The dispensary doctors do not object to any number of black tickets; that is to say, tickets for which they are visited at their own houses where they give medical advice. A red ticket given by one of the guardians is an order for the doctor to go and visit a particular person. Now there are very few people living about me that are able to pay 10s. for a visit. We have a 10s. doctor, that is to say a gentleman who charges 10s. when he visits, but he is an exception, and is rather a rare thing. There is such a doctor and a very good one he is, but the rule is that doctors will not declare their fees, or if they stick to the 10s. they will pay a second visit. Consequently everyone is thrown on the medical relief, and this Commission should certainly, I think, look into that point and insist upon some change of the law, so that, say, a dispensary ticket should be given on which partial payment is to be made, or else the doctors should be obliged to reduce their fees.

24,529. Perhaps you will describe to me—for I am afraid we may not have it quite accurately—what are the conditions so far as medical relief is concerned, under which the Imperial contribution is given. How much of the medical expenditure is paid by you?—I think half the salaries of the doctors.

24,530. Is that all?—I think that is all.

24,531. Is there anything more on the point of medical attendance and relief that you would like to say to the Commission?—I would say that the whole dispensary system of medical relief requires careful attention, and should be gone over. I do not think it is being properly worked. I think many of the dispensary doctors do take money for their visits when they get the tickets.

24,532. From whom?—From the people they visit with the tickets. It is very hard to prove, but every single countryman I have met tells me they do. One doctor in the north openly did so, and was dismissed, but he declared so openly. There was nothing understood about him, I think he was a most honourable man. The whole dispensary system at present is untried, and requires to be looked into in that respect. They are supposed to take nothing, and it is alleged that they take something. Whatever they take is

Exchequer
contributions.
The Agricultural
Grant is an assist-
ance.

Chief
Notes
23 Oct. 95

Medical
relief
Indoor,
outdoor,
and out

taken irregularly, but if they do not get money this said they do not give proper attention. I dare say they do give the proper attention, but I suppose that what the people mean is that the doctors are not quite so polite if they do not get something.

24,533. With regard to indoor relief; is there any Government contribution given upon the number of indoor poor whom you have, by which I mean those who are relieved in workhouses?—I do not think it is a capitation grant. I am given you the exact amount from the Year Book which we have issued. The cost contributions for union charges are now £2994. In the Tawn Union, which I think is the largest union in the County Galway, except the town of Galway; 2,902 they receive there altogether; they used to give it by bits, but now they have lumped it together.

24,534. Is there any distinct contribution to the salaries of medical officers or other officers?—Yes. I can give you most of those. I do not believe they are now calculated in that way; I know for our present calculations we have lumped the whole thing together in the Year Book as the Year Book of the Galway County Council has lumped the money given for the education charge. The schoolmaster was fully paid by the Government, but the union found them in rations. On the whole I do not think that was a very judicious application of the public funds, because it often induced a poor law union to keep on a schoolmaster when, perhaps, the schoolmaster was not wanted, as they had him for nothing, or nearly so; as they could use him for other purposes outside the school it would be rather useful, but he would not be necessary very often, for the school children could be put to school outside. I do not think, therefore, that was a judicious application of the Imperial money.

24,535. Do you keep many children in the poor-houses?—Tawn was a very large one, and we had from about 15 to 20 boys, and about as many girls, when I was chairman. I cannot give you the present numbers.

24,536. Are they deserted children, or children of inmates, or what are they?—I do not think there are many of them children of inmates—not of the regular habitues, we used to board out a few—not many. I do not say they were children of inmates as a rule, but they were deserted children, although not deserted by any voluntary act of the parents. Very often they were orphans.

24,537. Would your union be typical of others in Ireland?—Certainly; the Tawn Union is on the whole as typical a union as you could get in the west of Ireland.

24,538. Is the boarding out of children, instead of keeping them in the poor house, growing in favour or not?—I think the idea is to board out, when we can. We quite recognise from our own experience quite apart from that of other unions that the children brought up in the unions were a bad lot from an industrial point of view. I do not say that they were immoral, and I do not say they were irreligious, or anything of that kind, but the worst of them was they looked on the union as their home.

24,539. They were less hopeful?—Yes, and they looked on the union as their home, and we found them coming back to it.

24,540. I will not go further into that; it does not come strictly within our reference?—We certainly found that our own experience in Tawn.

24,541. Have you anything to suggest as to the method in which the Imperial funds should be contributed towards the cost of poor relief, so as to relieve the ratepayer as far as it is fair to relieve him without weakening the necessity of economy on his part?—Yes. I would take everything off the hands of the ratepayer which he could not control. I would not ask him to pay for anything which he could not control and which he could not keep down. Now that very question of the children is one. The system that I would advocate for children would be to have a large central union in the county of Galway. We have 10 workhouses, which is too many. One or two of these should be shut up and amalgamated, and one of them should be turned into a children's home. I dare say there would be nearly enough children to fill one home, and I think the Government might very fairly contribute to that and carry out the scheme. It is partially carried out and carried out the scheme. The great objection I have to the industrial schools is that the system of admission to industrial schools is such a gross fraud as present.

It is a complete burning at present. I do not know whether you know how they are admitted in Ireland—I do not say by law.

24,542. I will not say I do know how they are admitted in Ireland, but I think I know the way they are sometimes admitted in some places in England and Scotland; it may be no better, or even worse, in Ireland. Perhaps you will describe to us what it is?—I will tell you practically how it is done. In the first place the managers of the schools would wish to have the selection of the children, and the patronage and the appointment; so they occasionally send to the magistrates—which the magistrates rather dislike—not to send any child into an industrial school until there is a vacancy for him in the industrial school. Then the child has to be qualified.

24,543. Is it considered an advantage to get a child into an industrial school?—Yes. I know one lady who used all her interests. She had sold her farm for £600. I think, but there were some debts to be paid out of the £600, perhaps leaving £500, and then she was going to make interest to get two of her children committed to the industrial school. I refused to act as a magistrate, but as her family was connected with mine and had been tenants for hundreds of years, I said I would not go there at all. I think she got the two in.

24,544. Of course, as regards the cost of the child in the industrial school, a very large proportion is paid by the Government?—I think the whole is paid by Government. According to this book, we pay for a certain number from the county. The reason I said for the moment it was all paid by the Government was, that I was thinking of the contribution from the unions. I do not think unions paid anything to the old poor law, but the county rates do. I have got the old county rates here and the new.

24,545. I suppose from what you have said, admission to an industrial school you think should be restricted to the class of children who cannot be dealt with under the ordinary system of education—who are very refractory, or deserted, or have no proper home?—The present rule is that they must have committed some offence. If they have committed a serious offence they should be sent to a reformatory; that is settled, and it is a very good plan. But for a person to be taken to an industrial school he should commit some small offence. The magistrates have actually sometimes had offence. When the child is brought up, "Has the child qualified; has it committed the offence you?" It is easily supplied. He is sent out to beg; he goes and easily supplied. He is sent out to beg, and he immediately takes somebody for a penny, and he is a very bad qualified, and can be brought up. It is a very bad system, and it would be much better to dispense with the qualification. The schools are most useful, but this is a fraudulent way of getting in under existing rules. It is not done merely occasionally; I believe nine-tenths of them come in that way—perfectly good children who may be deserted, and may be committed cases for relief, but they have to be sent out to commit the offence first, and then they are brought up.

24,546. Is there any other point with regard to the maintenance of the poor that you wish to speak upon?—With regard to the poor, some think the contribution ought to be larger, and from some other source than from land and buildings alone. I know that is grounded from the view that they think that everyone who makes an income ought equally to contribute to the support of the poor, except in those cases where a man's income may be supposed to have been derived from the poor as the shape of labour or wages. I think that principle is not sufficiently carried out at the present moment.

24,547. What are you pointing at?—Larger Imperial contributions; that is what I would do. I would not like to take it from the professional classes in a poor country as the trading classes, because the professions would be so insignificant and you might easily cripple the traders, and trade is weak in the west of Ireland; but you would reach them through the Imperial Exchequer in a proper way. We paid £60 for a hydrophobia case the other day.

24,548. What further safeguards, if any, would you attach to further Imperial contributions so as to avoid the further extravagance?—I think if you took all the children and sent them to a central school, as I would do under the poor law, I should willingly allow the Government to undertake the whole management of

Colonel Nolan.

30 Oct '99

Industrial schools. Present qualification for admission is not desirable.

Each poor contribution to the maintenance and education of children. There should be central schools under the control of the Government, who should have the cost.

Colonel
Nelson.

26 Oct. '99

that school—except on the religious question, of course; you would be getting into all sorts of difficulties there.

24,520. We should be getting, of course, into difficulties there, but they are not insurmountable. What I had in my mind was more economical conditions; if the Government were responsible for this large school, and put all the children into it, would not exactly the same difficulties go to work which you have just described to us, in regard to getting children into the industrial school?—I am afraid, unless you took care to have considerable safeguards, they would. At the present moment those children go on the poor law, those children are well treated, well fed, well clothed, and fairly well educated, and they are only limited by the fact that they very rarely get on in life afterwards. It is limited by that consideration, otherwise I would say that a union child was better off than a home child; but they do get very listless.

Roads.
Cost of
new roads
should be
borne by
the Imperial
Exchequer.

24,521. What do you wish to say to us about roads?—I think the same principle ought to apply to a limited extent for many of the roads. My views on the subject would be that everyone ought to pay for such things as the poor, and for what I may call main roads—important roads—in proportion to their means through the distribution of the funds should be roughly in proportion to the population, as the main roads concern everybody. I acknowledge that does not apply to bye-roads.

Main roads
and district
roads.
Classification
of roads by
different
county
committees
in Ireland.
District
pays half
cost of
main roads,
and the
county the
other half.

24,522. Do you think it is a practical difference to make between what you were describing just now as main roads and bye-roads?—Yes.

24,523. Is their history different, is there any distinction, which would help us, existing at the present time?—Yes. I should tell you that I think in the county Galway it has been fairly done. In the whole of Ireland under the new Act the roads all had to be divided into main roads and district roads.

24,524-5. Under what authority are they divided?—By the county council. One northern county, I think it was Antrim or Armagh, but I cannot tell you, made all the roads main roads, which they are at present liberty to do; the next county made them all district roads, so that everyone should pay for themselves. However, I think, in Galway we did it fairly. We left it to our county surveyors and they somewhat increased the number of old mail coach roads that used to exist in Ireland. Their history was ascertained; for the greater part of them they were called car roads, or mail coach roads.

24,526. I do not think I need for our present purpose take you further into detail than this—at least if you agree—as far as main roads are concerned you would probably suggest that there is a greater claim for contribution to their maintenance from the central authority than for purely district roads?—Yes; you would call them often parish roads in England, but there is no such thing as a parish road in Ireland. You must in some way throw some of the charge of those made on the locality, because if you do not throw it on the localities everybody will be wanting a district road. Of course, unless it is limited by the feeling that you have to pay for the main district road everybody would be liking a road.

24,527. As I understand, the counties are now, under the Act of last year, in process of dividing the roads into two classes?—Yes, they have done so in the last month.

24,528. When they are divided into two classes, would you describe to me what are the different conditions which would be applicable to the maintenance of each of those two classes?—Yes, it is very simple. The district have to pay for the district roads within each district. There are 16 districts in the county Galway, which is the second largest county in Ireland. For the main roads, the district pays half, and the county at large pays half.

24,529. When you have an assessment for a district road, I understand from what you say—and it is the same in the county with which I am acquainted—that the assessment for the district road is laid all over the district?—Absolutely over the district.

24,530. Is the assessment laid on by the district authority or by the county council authority?—The clerk of the district sends in his estimate; it is laid on by the district council.

24,531. The assessment is struck by the county council?—No it is struck by the district council. Their estimate is sent in; it is estimated for by the district council, but the money is collected by the county council.

24,532. Which body passes the resolution settling the rate per pound?—The district council have a vote, but I do not think they are likely to use it much—they may do in some cases.

24,533. Now with regard to the main road, half is paid by the district, and half by the county, as I understand?—Yes.

24,534. And there is at the present time no contribution from Government towards roads, either main or county?—I could not say that, because you have given a large sum in this new agricultural grant—a large sum of money, thirty-one thousand some hundreds for the agricultural grant alone to the county of Galway. Some of that money is credited to main charges, that is what we need to call poor law, and some to district charges, which is chiefly the roads; you are talking of, and a third sum is credited to the county at large. So you do contribute, though I do not think it is earmarked for the roads, but there is a contribution towards the roads already from the Keshqee—about five-twelfth in altogether.

24,535. You wish to say something about the cost of the administration of justice, I think?—In regard to the administration of justice, we pay a certain amount to the maintenance of the prisons, we keep up the court houses exclusively, and the court keepers, and there are some other small extra charges, such as the transport to prisons and others. We keep those up, and I do not see any particular necessity for our keeping them up. I should say it would be better if the Government would take those wholly into their charge. I do not say that the locality is able to keep a court house, or to keep it in order,—or to judge whether it is good or whether it is bad,—better than the central authority would be able to do it; and except perhaps for the actual rooms in which the County Council sit or those in use by its officers—but for that exception which arises from an anomalous state of things in Ireland—I do not see how it comes into our legitimate functions, and I do not see how we can keep down the cost to any appreciable extent.

24,536. Then as to voting lists and other matters, is there anything which you wish to say?—As to the voting lists, I think we are extremely desirous that you should help us. A local body is much less able than an Imperial body to look after the cost of the voting lists. We may print them, but you get into constitutional questions when you come to the question of how these lists are prepared. The local body is supposed to look after the preparation, in order to prevent the central body interfering with the list of voters. That is a difficult question to answer and discuss; but I say we are a very bad body for regulating the printing which is a considerable amount; it comes to thousands a year, and it is a very large item.

24,537. Surely that is a matter in which local knowledge and local interest can exercise an economic power?—Quite right; but then you must also recollect that we are a body who can be bullied and very much attacked in the newspapers, either as a body or as individuals. When you come to deal with the newspapers, the Press, who precisely take the printing into their hands, we are subject to all sorts of pressure and all sorts of difficulty, and we are particularly a weak party for contending against that, for the very reason that we are a popular body.

24,538. You will learn to resist that after experience, will you not?—I do not know. I have not seen English public men wholly able to resist the Press in any part of either England or Scotland. They see very strong against everything else.

24,539. I think you want to say something to the effect that, where local control is ineffective in keeping down expenditure, the State should assume the control and should pay the cost?—Yes.

24,540. Are these words a general statement of opinion, or have they reference only to hostile railways?—That would apply to everything, but I have two very strong cases before me, one is the hostile railways, which is a large expenditure, and the other is the question of local harbours—small, little harbours. The latter is a separate question and only applies in maritime counties.

Colonel
Nelson.
29 Oct. '99

Prison
and the
maintenance
of justice
should be
paid for by
Imperial
Exchequer.

Voting
lists. Cost
of about
£200,000
paid for by
Imperial
Exchequer.

Locality
system,
practical
system of
management
of all
kind of
local
industry

Colonel
Fleming.
— 26 Oct. '93

24,571. We will keep them separate, I think, if you do not mind; tell us what you have to say about it, but dispose of lunacy matters first?—I do not think the system inaugurated now for the management of lunatic asylums is a very good one for keeping down expenditure—it may be good for efficiency. The governors of a lunatic asylum who control the expenditure are appointed in three ways, one set are appointed from the county council, the second are selected by the county council, and the third are appointed by the Lord Lieutenant. As regards the men elected by ourselves we elected the Lord Lieutenant of the county, Lord Clonbrock, and two of the three bishops, and we have put in place of the third bishop one of his dignitaries, so that we appointed practically the three bishops and the Lord Lieutenant of the county from the county Galway. The Lord Lieutenant picked out very good men. I do not think any of these men would care about keeping down expenditure. In order to get people to keep down expenditure you must have them in immediate contact with the electors. They usually like to have everything efficient that they are controlling, and the only check I think that there is, is to go and get on the governing body the people who have to pay for it. Even a man will pay out of his own pocket for efficiency. I fancy Lord Clonbrock, who pays very heavily, would willingly pay out of his own pocket—in fact, he would, and he has in several cases—for efficiency. The only way to keep down expenditure is to have your men elected by the people who pay, and when you have that you have got your public control. You have not that with half the governors of the lunatic asylums; you have only about a half that are members of the county council, the others are appointed not for keeping down expenditure, but for general efficiency, and they will look only to efficiency.

Lunatic
asylum.
Cost of in-
Galway.
Amount of
contribu-
tion from

24,572. Just tell me shortly in what proportions is the cost of the lunatic asylum divided at the present moment between local and Imperial sources?—I can tell you how much we pay for it. I have the papers here showing exactly how much we pay for it. It is in the Query Book. I think there is a capitation grant. The cost of the lunatic asylums in Galway is 7,832. There is also stated here what it was two years ago. It is a joint asylum between two counties, and I can give you what Co. Roscommon pays for it.

24,573. I am afraid I want that a little more exactly; you give me as the total cost of your asylums, 7,832?—No, the total cost to the county Galway is 7,351.6s. 5d. That is the official figure.

24,574. That is the total cost?—That is the total cost to the county Galway.

24,575. Can you divide up that 7,351, and tell me from what sources it is paid?—That 7,351, is paid exclusively from the county at large—rates; in addition to that there is a direct contribution, I think, of one half per patient from the Government.

24,576. (Mr. John Herbert.) Is it not 4s. a week?—I think it is 4s., but I cannot give it you. I think it is in the Ballinacree book, but that it is not in the one before me. I brought two Query Books with me. You will see a copy of the estimates in the second Query Book of the old Grand Jury.

24,577. (Mr. Arthur O'Connor.) It is 7,000. add for Galway, but for Ballinacree it goes up to 24,966. It goes up to a very large sum, 24,606, I think. But it is not the whole county contribution; the Galway Asylum is generally called, but really it is Galway and Roscommon; it is on the borders of the two counties.

24,578. (Chairman.) I will put it in another way; you say that the expenditure is not wholly under the control of the ratepayers?—No, it is not.

24,579. I want to know why?—Because about one-half who are appointed are men who have not been elected by ratepayers, and unless a man is elected directly by ratepayers the control is not complete. I do not say that the electors of the district boards are directly elected, they are elected by a second election, but still on the whole I think they are under the control of the ratepayers. To have the control, the men must be elected directly.

24,580. Just state to us how the Asylum Board is constituted?—There are three different appointments; first the county council appoint a certain number, I think one-half. The county council then elect some outside its own body—that is a necessary condition.

24,581. You mean they must be outside?—They must be outside. They do not choose those men who will keep down the rates, at least they do not at the present moment; they may in the future time, but they do not in the County Galway now. They choose the leading men about, and they are not necessarily anxious about keeping down expenditure. For example, a Catholic bishop, unless he is an extraordinary man, will think much more of the comfort and the efficiency, or the religious considerations or care of the patients, than he will think of the rates. Lord Clonbrock, of course, is a very large ratepayer; and I should think if he were a member of the County Council—he did stand for it—that he would keep down the rates, and if he were not a member of the County Council he would think most of the efficiency of it. I should fancy that would be the way he would go.

24,582. Have we got now the whole constitution of the Board?—There are half appointed by the County Council, and some more appointed by the County Council beyond their own body?—Yes.

24,583. Does that make up the whole?—No, the Lord Lieutenant appoints about six or eight.

24,584. The Lord Lieutenant of the county or of Ireland?—Of Ireland.

24,585. Are they official representatives?—No.

24,586. Are they also taken from the locality?—I think they are exclusively taken from the locality. Certainly I think they are taken from the locality.

24,587. Which of these elements is it that tends to increase the expenditure?—I think anyone who is not directly elected by the ratepayers will think of efficiency. A man who is elected directly by the ratepayers knows when he goes round to enquire about about half of his electors tell him to do this, and another half tell him to do that, but nearly everybody says "keep down the rates"—unless he is quartered on the rates to make money out of them.

24,588. I do not understand you to suggest that the Lunacy Board should be directly elected by the ratepayers; do you suggest that it should be appointed by those who are so elected?—What I wish is that the county paid nothing at all for the lunatic asylum, and that the Government managed it exclusively.

24,589. I was coming to that?—That is my contention, and I have another reason for that in connection with the number of lunatics in Ireland.

24,590. If that is your suggestion, will you make it quite clear to me, is it that the policy of the prisons should be followed and the whole management taken over by the Government?—That would be my view. Of course I expect that they would appoint a certain number of men from the locality, but that they would practically keep the control in their own hands, which they can very easily do.

24,591. And pay all the cost of maintenance?—And pay the whole cost, it would not be an enormous sum—only 7,832, more for them.

24,592. It has been suggested to us by some people who are opposed to that view that if that policy were adopted, which has been suggested for England and Scotland as well as for Ireland, it would have a direct tendency to induce the continuance of individuals as lunatics who ought not to be so certified, and that it would be almost impossible to check great abuses in that way, because people would be put into the asylums and maintained at considerable cost to a central board, when they really ought to be on the poor law, or maintained by their relatives. What have you got to say to that?—I have got a good deal. I think it would have exactly the opposite tendency. I did not know that that had been suggested in England and Scotland. I must explain the way in which people are sent to in Ireland. The county council have nothing to do with the number of lunatics quartered on the asylum, they have absolutely no control over that. People are brought up before two magistrates and a doctor, the doctor certifies as a general rule—I should say in very nearly two-thirds of the cases. It is very hard for the magistrates to pronounce any opinion. They do not like turning a person loose on society, and in two-thirds of the cases they are quite incapable of doing so.

24,593. Do the magistrates see the individual?—Yes. I have sat on several of the boards, and quite lately, within the last four or five days.

24,594. Do they always see the individual?—I never heard of a case in which they did not, and I think they

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must see the individual. I never heard of any instance to the contrary. In two-thirds of the cases the lunatic is not in that ravine state that might be seen or proved. It was once against putting a woman in, because she was tolerably sane—it happened that one of the magistrates was a doctor—and he put the question to me—"Will you take the responsibility of letting that woman now go and walk out into the streets of 'Tinn, and take the chance of a car running over her?" I could not do that; I had to certify danger, as I dare not have taken that responsibility.

24,585. I gather from your own personal experience, you sometimes feel a very great hesitation on the evidence before you in coming to a conclusion that the individual should be shut up?—The very greatest. The case before that was the son of a tenant of my own. The family I knew had no object in committing him, and the man talked the matter over with me quite calmly and dispassionately, as well as anyone in the room could; He said: "I think the lunatic asylum would be a good place for me"; but he was absolutely and perfectly sane at the time.

24,586. Do you not think that if not only the individual relatives, but the locality have an interest in pushing off the maintenance from either themselves or the rates of the locality on to the Government, it would be a still greater inducement to get individuals certified as lunatics upon insufficient evidence?—I do not see how there would be the slightest increase in that direction. At the present time there is a wish in the locality that the lunatic should be certified dangerous, not that he should be certified a lunatic, because the poor law will take him if he is merely a harmless lunatic, but if he is a dangerous lunatic he has to be sent to the county asylum.

24,587. Dangerous lunatics will leave out of account, because I think that when anybody can be proved to be a dangerous lunatic, there is not much difficulty in getting him up?—Oh, they are all "dangerous" in my part of the world, every one of them—or nearly all.

24,588. That is exactly and precisely what I am afraid of?—They could be very easily trained in a week to be dangerous, if they are not naturally disposed to do. There is a small number in the union workhouse. The point where I differ from the view you have placed before me is this: there is no popular control at the present moment over the number of lunatics—it is all through the magistrature. I am afraid there is a great tendency for people to quarrel themselves on the lunatic system, but I am not certain of it. I spoke to the last doctor three or four days ago, when I was certifying a case, and I put that point to him; but he said, no one would voluntarily go into the society of the lunatics at Ballinacree, that nobody could shame or scheme to get in there, and he could not imagine such a thing. I heard one of the largest proprietors in Galway about a month ago—a well-known baronet in Galway—say he thought he had shopped in his part of the county an epidemic of lunacy, as he had refused to certify for one or two cases, and probably that had prevented about 20 more coming up. Whether he is right or the doctor, I cannot tell you, but I know that it is quite beyond the power of the magistrates to certify. I think the magistrature ought only to be used as guardians of the personal liberty of the subject. They are useful in that respect. In cases there was an intrigue or a desire to shut a man up in a prison, then he should have the right of going before the two magistrates, and he ought to be brought before them; but after that, if the magistrates say, this is not a case for us to interfere, then the responsibility ought to be thrown on the doctors of the lunatic system, and they should put him out if he is not insane.

24,589. You have a grievance as to lunatics; you think that their maintenance falls exclusively upon poor law rates?—The case of the small harbours in Ireland is positively a cruel case in certain localities. In the first place the districts have had no choice whatsoever in selecting harbours. I was once chairman of the Ports and Harbours Board which selected the small harbours in Ireland, so I know a good deal about this subject. The districts have no choice whatsoever.

24,590. Are you not speaking of what has happened in the past, or of what may be happening at the present time?—The magistrature is happening at the present time. The location of the harbours has been going on for 50 years or 100 years.

24,591. Do not misunderstand me: I follow that, but what I want to know is—when you say the locality has no choice where the harbour is to be, are we to understand that that remark applies only to the past, or that it also applies to the present time? Do you mean that harbours may be brought into existence without the consent of the locality, although the locality is to be charged for them?—Yes. I should say it would apply practically at the present time. I think I read the word district and not locality for this reason, if you want to build a harbour, or if you talk about a harbour in a particular place, everybody within two miles of that spot is in favour of that harbour. He tells you, if you put that harbour there the whole of Ireland will be regenerated; and if you do not put the harbour there it is a proof of the general iniquity with which Ireland is governed.

24,592. I have single examples of that in my own knowledge of Scotland?—Outside the two miles radius I think it is two, it may be three, nobody cares one pin whether you have a harbour or whether you have not—nobody cares one pin about that outside the two miles, but the rating district goes over a very large area, perhaps 60 miles long, by 30 miles broad. The inland portions and such parts of the coast as have no harbours have had nothing to do with choosing the harbour that they have to do with choosing the roads, but they are called upon to maintain the harbour. These harbours were located by different bodies, either through one of the Fisheries Ports and Harbours Boards—which was one member of Parliament with two votes and three Fishery Commissioners, and perhaps that was the fairest; however, I was the most connected with it, and so I naturally say it was the fairest body. Then there was the Canadian money; how that was allotted I do not know. There was another Ports and Harbours body got up by the Government, and they had a third consisting of eminent English engineers. Whatever managed to get 8,000*l.* a year out of Government by parliamentary pressure or parliamentary arguments, whichever you like to call it, used to locate the harbours. The districts or the counties practically never located the harbours; they could if they chose to pay for it, but I do not suppose the counties ever paid for a harbour—they may have, but I never heard of it.

24,593. Who in your opinion ought to pay for the harbour?—I will say this, that in very poor localities like Countydown, and the coast about part of Donegal, Mayo, and part of Cork, certainly in those it ought to be the Government exclusively who should pay for the maintenance of these harbours. They have been put there without the people being consulted, they have been planned by the Board of Works without any consultation, and now, when they break down, you have to pay very large sums, perhaps 500*l.*—it may be 2,000*l.*—the next year on a very small district of only 15,000*l.* gross value.

24,594. Over what area is the rating for a harbour spread?—Over a district, that is one-tenth of the county Galway.

24,595. As I understood from you the rating for a harbour is now laid over the poor law district in which the harbour is situated?—Quite right. Formerly it used to go over the harour, which was about a seven-tenth or eight-tenth part of the county; now these harours have been joined together into a district.

24,596. How many of the Galway districts are interested in harbours—take your own case?—I should say two very much, and a third, the Gort division is 1800*l.*, but the Ballyvaughan division is the poorest. Ballyvaughan used to be called Countydown, and Countydown used to be known as the Ballyvaughan harour, and the Ballyvaughan harour and the Clifden district nearly coincided. That is very much interested, and so is a certain extent in Oughterard district—not quite so much, but still very much; then the others were to say very great extent.

24,597. Are you in a position to give any definite information as to what the rating really amounts to per annum for the maintenance of harbours and piers?—It is most irregular. The last charge we have had is an appeal from the Board of Works for 1866, for one harbour called the Ard West Harbour. We have had an appeal, and we have been to get Mr. Ballinor to look into the case independently, of course, of your Commission which we had not heard as much about. That was a hard case. The district had nothing to do with the location of that harbour. The Board of Works made it without

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any reference to the district, or without reference to the County Council.

24,608. Who does the maintenance?—The maintenance is thrown on the district.

24,609. By "who does it?" I mean who constructs the works?—The Board of Works, whenever it thinks fit, goes there and constructs the works without consulting the county surveyor.

24,610. And then puts a precept on the district?—Then it puts a precept on the district, and we have to pay it.

24,611. Is there any power of control on the part of the people who have to pay?—We have absolutely none. We cannot say "Let that harbour slide, we will take a vote of the district, and let them say whether they would like to maintain the harbour or not." We have no power of that kind.

24,612. If you have to pay, you would like to have it handed over to the district?—We are most anxious not to keep harbours. Last month the congested board who had a full of building harbours, asked us to take over three harbours in Galway, so they had now equipped them. We wrote a very polite reply. That was the suggestion of the council that it was to be more polite, but most imperative, that we were to have nothing to do with taking over harbours, and such undertakings, unless it was ordered by law.

24,613. Is there a demand for fresh harbours?—Yes. I am afraid you would find that a place, if it had a harbour, would immediately call out to the Government to make it a still better harbour. I think the people within the two miles would, but I do not know that the county would call out for harbours. If it had to pay any contribution, I do not think the district would call, but you would get the locality, that is within the two miles or the three miles, who would want to have a harbour, or if they had a harbour, of course, they would be wanting to have a better harbour.

24,614. Would you approve of Parliament either giving the County Council a vote upon the harbour being brought into existence, or, on the analogy of our West Highlands and Islands Act in Scotland, making it imperative upon the district to take the initiative and suggest a harbour?—I do not think the vote would always be very useful. I will give you a case in point. It was just before I became chairman, but I was in the inner section, of course, of the Fisheries Fund and Harbour Board. The way Clifden harbour was practically rebuilt was this; it had fallen into gross disrepair, and was useless—

24,615. (Mr. Arthur O'Connor.) Was it a Board of Works harbour?—I think it is now a Board of Works harbour, and I think it was originally a Board of Works harbour. Though the Fishery Fund and Harbour Commission could not make it repair, they build a new harbour, they could make it repair an old harbour, and so they could make it repair Clifden at a cost of 2,000 or 3,000. So instead of reporting it they said "If you will build a new harbour we will give 8,000, towards it if you will give 2,000." The grand jury, when they were collected in this way, and found that they had to pay 2,000, or 3,000 for repairs, or that they would get a 10,000 harbour for 2,000, naturally chose to give the money towards a new harbour—they could not do it any otherwise. It was just before my time, and Mr. Blake was chairman of the Fishery Commission. I do not think these local bodies will ever build harbours themselves, they will, in towns like the urban district of Galway, but not in the counties. Harbours are useful nationally, but I do not think the local bodies will ever build them. There are a great many of them.

24,616. (Chairman.) Is that all that you wish to say on harbours?—Yes. Really the chief local point that I wanted to impress on you—I do not wish to take up too much of your time, I know it is very valuable—were the point of the Inactive anything and this point of the harbours, and the harbours especially—not so much for the county Galway as for the poor districts. The district of Clifden has only 25,000, a year valuation, it is a wretchedly poor district, and it is an absurdity to say that it is to spend 5,000, on repairing one harbour in one year. Of course it is not even like the case of the greater part of England, and the east coast of Ireland, where there were ordinary works that can be made to resist the sea. No human work can stand the sea to a certainty against these Atlantic rollers, they come with such immense force—I mean to cheap human work.

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24,617. I understand you desire to say something to the Commission about the contributions of railroads to localities, which, as you express it, is also worthy of attention?—Yes. I cannot make out why railroads pay so little. Railroads in the county Galway, according to the official figures which I have here, as I wanted to be certain of them, pay on 7,500. That I know is the gross amount on which they are valued.

24,618. What is the point?—I do not see why the railroads in the county Galway should not be rated on the value of their property. I can fix a very fair idea of their maximum value. It must be at least a million for this reason. There are 495 miles between Galway and Clifden, and we know what that cost, because the Government pay the greater part of it. That cost about 250,000, the Government contributed about 250,000 and made it a present to the Midland Great Western, and they contributed a little more themselves.

24,619. What is your suggestion?—Let us clearly understand each other. There are different systems for the valuation of railways in England, Scotland, and Ireland, if I understand it rightly, the valuation of Irish railways, as according to the train mileage which is run in each district, and that the stations and buildings are separated from the running line and are valued separately like any other buildings—that is so, is it not?—That may be the case. All I can say is that the 7,500, a year is grossly below the actual ordinary value.

24,620. Please do not for a moment assume that I am saying the present system is perfect, I am not on that at the moment. I want, in order to lay a foundation for my suggestion, you wish to make, to be quite sure that we both understand what the existing state of matters is?—There is a great hitch, I think, thrown on this subject by the Galway and Clifden Railway. When you had a railway from the metropolis, even a small metropolis like Dublin, to a country place, it was always very difficult to apportion the cost that should be borne by the metropolitan part of the railroad where the factories were and the big stations.

24,621. You are thinking of structural cost at the moment, are you not?—I am thinking of the general cost of the railway. How much of the rolling stock would belong to the central metropolis, and how much could fairly be put on the locality, was an arguable question. But here we have a railway made from Galway to Clifden, of which we know the exact figures. It is made wholly in the locality; it is an addition, and we know it chiefly because the money was contributed, without any Stock Exchange cost or anything of this kind, by Government; and it is about a quarter of a million. There we know the cost with great nicety of this railroad, from Galway to Clifden, and I think the whole of it should be apportioned to the county rates. But that is only about one fourth of the mileage of the county railways.

24,622. I will take you back to that point in a moment, but I want you first to appreciate the existing state of matters, and then I will find out what the precise suggestion is that you want to make to me. At the present time, I think you may take it from me that the stations and buildings are valued according to Ireland, that the railway lines are valued according to the train mileage which is run over the district. That is one method of arriving at what the net receipts of the undertaking are. Now, do I understand that your suggestion is that you should take structural cost as the basis of valuing such an article as a railway?—I am afraid I would prefer a man who is more skilled in the question to give evidence on that point. All I can go on is gross figures. I know a particular railroad cost a quarter of a million of money. That is about 80 miles, and it is from Galway to Clifden. That is, the premise. I know the other railroads in the county must have cost at least three times as much money. I know what the railway from Athlone to Galway cost, it was about half a million, but that might be differently apportioned. On the whole, I think the railways in Galway must have cost a million, taking the Clifden Railway as the basis.

24,623. Assuming all that, what is the value in your mind of the structural cost as a method of ascertaining what it should pay?—I think that pays at least 3 per cent, and I think that ought to be 30,000, instead of 7,500.

24,624. Do they pay out of their own net receipts three per cent. on that structural cost?—I think so. I

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Colonel Nolan.—think that the Midland Great Western pays more than three per cent.; I believe that the Waterford and Limerick pays three per cent. in the locality.

20 Oct '99 24,645. How many miles is the whole of the railway?—In Galway?

24,626. The whole railway that you are speaking of that costs a quarter of a million £—484 miles.

24,627. We will say 50£—Yes, it is almost 50, but it was just under.

24,628. How much of that 50 miles runs through your county?—The whole of it; it is from Galway to Clifden. It is a very important work; it was done by Mr. Balfour under the Light Railway Bill.

24,629. What is the valuation on which they at present pay?—That has not been furnished me by the secretary. He has furnished me the gross figures for the Midland Great Western, and for the other railway.

24,630. Perhaps you would be good enough to insert when you get the proof of your evidence, what is the valuation of the railway at this moment of which we are speaking?—I do not think I can get it, even before I leave London.*

24,631. I want to bring you now to the test of figures; you say they are not paying enough, and I want to find out from you upon what grounds you would desire that they should pay more?—I think they ought to pay on the total value, the total cost within that county.

24,632. On the structural cost?—On the structure, and on a share of the rolling stock and of their profits.

24,633. Supposing there were two short railways side by side, each 10 miles in length, and one of them had an expensive viaduct which might cost 100,000£; why would you make that railway, which might not be carrying any more than the other, pay more rates because it cost more?—If it only paid 2 per cent it would be entitled to a reduction just like a man if his property is depreciated is entitled to a reduction. I would allow a railroad to come, and say, "We are not a paying railroad." It would be absurd to rate, for example, the Portmarnock and Portmarnock railroad, which is not running at all, and from which they have plundered all the permanent way, and have even carried away a station. That seems a rather strong case. I do not think it would be quite right to make them pay; it is a derelict property.

24,634. I want your suggestion. At the present time railway companies pay upon a train mileage; do you suggest any other method?—I do.

24,635. Is it either structural cost, or net profits, or what do you suggest we should take as the basis?—I should think net profits would be a very fair system; that is net profits within the county. Of course I know that when you come to questions of account like that it is very easy for clever auditors in London or Dublin to prove that a particular part of the line pays nothing.

24,636. I will put to you another question. Assume that your system was carried out, and that this railway was rated upon net profits, have you calculated what difference it would make to the county and to the railway?—It would not be enormous; I do not think it would be at least double.

24,637. Have you calculated it?—No, I have not; but it would be at least double, and I should say it would be considerable.

24,638. Perhaps you will insert the figures when you get the proof of your evidence?—I will as far as I can, but when you get into these questions of railway cost you know there is a good deal of manipulation in furnishing returns of railroads, and I do not know that I could quite tackle that offhand. I am sure that we would want a committee of the County Council, and then to consider it for a week or a fortnight before we should be able to give you an exhaustive statement. It is a difficult subject.

24,639. Have you anything else to say about railways?—No. I do not attach any great importance to it; it is only narrowing our ordinary resources by 10,000£ or 15,000£ a year.

24,640. How would it affect your rateable resources, by 10,000£ or 15,000£ a year; I understood you to say you had not calculated it?—I am perfectly certain it would, because I know the capital that is expended on it, and I know it pays a good percentage. We cannot furnish details or prove it from the traffic returns. You would require the help of a railway expert for that.

24,641. I hardly think we could go into the rate of interest charged on Government loans to your county, which is your next point?—It is a good pity if you cannot.

24,642. I do not think I can bring that within our limits of reference?—Of course you are the best judge of that.

24,643. What about the Galway Infirmary, which comes next?—The Galway Infirmary, I think, was almost forgotten in the late Act. It is in a deplorable condition. We have to go and beg of the bankers to honour our cheques, even to pay it.

24,644. What is it?—It is really a county hospital, but it is very peculiar. It has been forgotten in the late Act. They had a Bill, and as they thought, a very clever Bill, five years ago to put it on a popular basis. They federated all the poor law unions to strike a rate and to manage the Galway Infirmary. This was rather a popular measure, because before that the grand jury used to manage it, and this was to put it on a popular basis. However, the grand jury possibly did a little better under the circumstances, but no doubt it was almost forgotten in the late Act, and the consequence is that you have got ten districts of Galway federated together for an ordinary county council in the ordinary fashion for an expenditure of 124,000£ a year, and you have a separate federation of the different districts—totally separate and totally distinct, with powers of striking a rate and everything of about 1,200£ a year. That is a ridiculous system of management. The governors cannot take the trouble of coming in repeatedly, and the whole thing is drifting into debt steadily and steadily, and you only wonder that it is able to do so much good as it does.

24,645. The name "Galway Infirmary" may very likely mean something which is not conveyed to my mind?—It is a county hospital.

24,646. Is the Galway Infirmary an institution supported by voluntary subscriptions, or is it on the rates?—It is on the rates, but not through the County Council; the County Council are not even allowed to bid at something—it is under a separate Act.

24,647. A private Act?—A private Act.

24,648. Is it incorporated under a private Act?—It appears to have been almost forgotten in the late Act.

24,649. I am anxious to learn the facts, for our purpose really it does not matter whether it was forgotten in the Act or not. If you would tell me and assist me in endeavoring to get information I should be obliged. You say it is incorporated under a private Act?—I could not say a private Act, but a separate Act.

24,650. As far as we are concerned what are the provisions of that Act?—The districts may send three or four members to form a council of governors, and these may charge any rate up to a penny. They usually have charged a halfpenny, but they have put on three farthings, and they get that from the different districts.

24,651. What regulates the admission of inmates to the infirmary?—The governors can make any rule they like, and the way they make the rule is that the districts may send in anybody they like, and they pay for them. The acts of maintenance is rather a low one, and barely pays.

24,652. Does each district pay for its own patients?—Yes, it pays for its own patients.

24,653. How is the support of the establishment—the salaries of the officers, and the repair of buildings managed?—At present I am afraid it is very much mismanaged, but it is done out of a rate of a halfpenny or three farthings a year.

24,654. Who lays on that rate?—The governors, who are appointed by the district councils.

24,655. (Mr. Arthur O'Connor.) Who collects it?—It gets rather complicated; it is first collected by the county council; it is given then to the districts, and the districts give it back to the governors.

24,656. (Mr. O'Connor.) Is it an institution which is peculiar to Galway, or are there similar ones in other counties?—I do not think there is anything exactly

* The following table is given in the County Council Report for 1898-99. The valuation of the five railway companies is given, but the amount for the Galway and Limerick is probably between 200 and 300.

similar, I do not think it would have been forgotten in the Act otherwise. It was clean forgotten, and it should have been put under the Local Government Act.

24,667. What do you say about excise and dog licences—your next point?—I do not pretend to understand the excise licences, and for this reason, we do not get any of them.

24,668. I am so ignorant that I thought you had no dog licences in Ireland?—Yes, we have a 2s. 6d., and we do not get the whole of it. It is 10s. in England.

24,669. It is 7s. 6d. with us?—We get a portion of it, but we do not get the whole of it. On dog licences we get 793L, but I believe there is a much larger sum collected, and we get half; but we ought to get the other half.

24,670. As a matter of fact you only get half the licences?—That is the Excisequer grant, 793L 12s. 10d.

24,671. (Mr. Arthur O'Connor.) Is not the other seized by the clerks to the justices?—I think so.

24,672. (Chairman.) What about the fees on weights and measures?—We really do not control them. We do not get that, but it is a very small question. We have got no real control over the weights and measures. We sign the list sent in by the constabulary authorities, who manage the whole of the weights and measures—we have to pay some of their expenses. I think the Government has to pay the travelling expenses, and the Government pays the salaries. We do not get the fees, but it is a small thing on which we get the work of it. The Government or the constabulary keep those fees for themselves, and we think they ought to come to us. That would cover the cost of travelling expenses for weights and measures. However it is one of the things I think the Government ought to take into their own hands for the reason that we have no control, and we do not particularly understand this question of weights and measures—or have very little control at any rate.

24,673. What do you say about the Suck drainage?—The question of the cess duty is much more important.

24,674. I will go back to that?—In regard to the Suck drainage, I have put the point down, because a portion of the Council of Galway were very anxious, I should bring the question of the Suck drainage (it relates to the River Suck) before you. In one way for the Suck drainage, we were treated pretty liberally by the British Government. They gave us 50,000L, which is rather an unusual thing to give to Ireland for drainage purposes. As I say we got 50,000L for this Suck drainage, but I am afraid it was badly spent; there were too many vested interests on the river, and they introduced it is a new principle of taxation, and this new principle of taxation is greatly disliked in a large part of the county of Galway.

24,675. Will you describe it to us?—The principle before was, that only a man who benefited by the drainage should pay for that drainage; and it was not a bad principle, and if that had roughly been done here the best area would have been taken at one foot or two feet above the water surface. But in this case some great topographical improvers the principle that the whole river basin should pay the rate—well. Of course there were people in the river basin, though it is generally low land, 50 or a hundred feet above the level of the River Suck, and they could not possibly be benefited, but they now have to pay a rate—land for the Suck drainage. Although on a map you can point out what a river basin is, there is a strong feeling that it ought to have been done in some other way—say, a lower area should have been taken, or else the people who could not possibly derive any benefit from it should not have been subject to the taxation. There is, as I say, a strong feeling on the Suck drainage. It was a new principle which I do not believe had ever been adopted before in either England or Ireland—certainly it had been very little adopted.

24,676. What does the rate amount to per A? Can you give it me?—I cannot. It is not in my part of the country, but it is some 2d. or 3d. I am not telling you of the people near the river, they, perhaps, do not pay too much. I can get you the figure at you like.

24,677. We passed over the question of excise licences, I think?—As far as I can make out, England gets three millions from the excise duty, and Ireland gets nothing. Under the local taxation returns there

are two series of excise. One is excise Houses, and the other is Excise. I think we get some of the Excise Houses, but there is one large item, which is returned in England as three millions, under which we get nothing in Ireland. We do not understand it. We want to bring it as a grievance, but we do not profess to understand the grievances, because we do not get anything at all.

24,678. (Mr. Arthur O'Connor.) Put it the other way about?—No, it is three millions in England.

24,679. Is it not the other way about, that in Ireland you get the House and you do not get the Excise Houses?—I quite agree. We do not see why we should not get the Excise Houses when they get them in England. They may, or they may not, give us other things. I may say the contributions in Ireland are on a different principle, as far as I can make out, to the contributions in England. In England you give certain large sums of money, and allow the public bodies to divide them as they like. In Ireland, they are very fond of making out so much money for this, and so much money for that and the other purpose—it is the money for medical aid and for different purposes. In England they seem to give the money more to county councils in bulk, and let them apportion it as they choose.

24,680. (Chairman.) There is a good deal of talk, as far as England goes, but the other principle is adopted, as far as Scotland is concerned, on very much the same basis as I understand you to describe it in Ireland, as far as the Imperial contribution is concerned?—I know Scotland is very well off, of course, about that.

24,681. Our money is much more distinctly and precisely allocated than the English money?—We do not get any of the Excise houses at all; that being the case, where there is such a large sum as three millions involved in England, it must be some hundreds of thousands for us. Of course that is a very important question.

24,682. I will take a note of the question, and I will take care to examine and find out what the reason is?—I think it is a point to be taken in the Report.

24,683. (Sir John Lubbock.) I suppose you do not suggest any contribution in aid of outdoor relief, you would still have that to be expended by the ratepayers themselves. It is rather a hard question in Ireland, but not?—I am rather inclined to throw as much as possible on the Imperial Excisequer, and as little as the local rates as possible. I should say that outdoor relief is the very last thing you should put on the Imperial Excisequer. When you have paid everything else you may ask you to help the outdoor relief, but until you have done that I think you had better leave that till the last thing.

24,684. I thought you would say that. Of course you would agree with me that it would be a most dangerous matter for the Imperial Excisequer to undertake that?—I have very often wished myself to give money to the poor people—of course out of the main funds, but then I think of the ratepayers. If your charitable desire were not limited by your pocket, of course they would be much more satisfied.

24,685. When you come to indoor relief, of course the danger is not so great. You may give relief in aid of the official salaries for imbeciles, and that is done in England?—You can always have a test over the indoor people by seeing that the place is not too comfortable; it is just a question whether you make it too comfortable, and remove a certain stigma that attaches to receiving workhouse relief. If you take off that stigma, and if you make it too comfortable you will have large numbers in, but you can always regulate that.

24,686. I do not think you are quite satisfied with the dispensary system?—I think it requires careful revision. It is very good to have such a thing, but the state of Ireland has changed since it was inaugurated, and there has not been a corresponding change made in the dispensary system.

24,687. I do not know whether it is a case where half the salaries of the medical officers are paid by the State?—Yes, it is.

24,688. But if more than half was paid, would that not rather add to the risk of greater fraud being perpetrated?—I do not think it would add to the risk of fraud, but certainly the people of that union would vote the doctors larger salaries, there is no question of that.

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24,679. So long as the ratepayers have to pay half the salaries, there is some ground of complaint?—There is a great check on that.

24,680. And a safeguard?—I do not see that it would be advisable to give too much help in that direction.

24,681. You have also mentioned the case of the industrial schools, which, I believe, is perfectly correct as you have stated it from my own knowledge of the great increase of the expenditure upon industrial schools in Ireland, and also, I am sorry to say, in England and Scotland?—The industrial schools are very useful.

24,682. With respect to the fraud which they are liable to, many cases can be sent into an industrial school which really ought not to be sent there; and I was going to ask you whether you would consider these two cases—the dispensary system and the industrial school system—are open to a great amount of fraud, and whether you could suggest any means of removing the system as carried out?—I do not think I need the word "fraud," and I do not look upon the point that I drew attention to as being a fraud. I take first the dispensary system: The change I want to have effected is that the dispensary doctors should be allowed to take fees in certain cases. A district councillor should mark on his ticket how much for the doctor is entitled to. At present, if I am asked for a red ticket, I can either refuse it or give it. If I refuse it the man may have to pay 1*l.*, and he will according to the ordinary rules. There are very few people who can afford to pay 1*l.*, and so I practically give a red ticket to anybody who asks me.

24,683. Perhaps the word fraud is too strong, and I will change it to "abuse" as the more proper word?—I would not say abuse; "revenue" is the word I should use.

24,684. There is abuse; as I understand from the evidence you have given, persons in good circumstances take advantage of this medical relief?—No, that is not my point. My point is that the medical etiquette in Ireland at present of only taking 1*l.* is wrong. It has been certainly very much shaken in the last eight or ten years, but it is a rule for the doctors to be 1*l.* doctors, and not as in England to be 2*l.*, 5*l.*, and 5*l.* doctors. That requires revision, and the Local Government Board should use their influence, and either make the doctor take a lower fee in ordinary cases, and have that well advertised and well known, or else they should offer a certain amount to be marked on the red ticket which the man who gives it thinks the person can afford to pay. But the origin of the whole difficulty is this 1*l.* fee of the doctor.

24,685. I presume that dispensary relief is not intended to be given to persons who can afford to pay for it themselves?—Very few can afford to pay 1*l.*

24,686. Do you think so?—Yes, but you see they can afford to pay 2*l.* 6*s.*

24,687. Do you think so?—Yes; about me. Say a farmer makes his 50*l.*, or 100*l.* a year; supposing he has eight or nine children and his wife, that he has to be sending to the doctor for, where are his pounds to come from.

24,688. The dispensary system wants revision or reconsideration?—It wants reconsideration for the special reason of this pound, if in Ireland this one pound is not wholly abolished.

24,689. Would it be satisfactory to you if the Local Government Board of Ireland were to undertake such an inquiry?—Such an inquiry as to see if the doctors could not, as in England, charge 5*l.* fees, in which case much fewer tickets ought to be given, or else there is an alternative remedy, namely to allow the guardians—they used to be called the guardians, but they are now the district councillors—to mark a fee on the red ticket which they think the man could afford to give. I would mark 2*l.* 6*s.* on most tickets. The man I have in my mind that I say is well off, but with a large family he never comes for a red ticket but always pays his doctor; if he did come, I should mark perhaps 5*l.* or 10*l.* on his ticket, but I do not think he could afford 1*l.* About the industrial schools, I do not want the word "fraud" applied to them.

24,690. I have altered my expression of fraud to abuse?—I think it is a foolish point in the law to insist on a qualification which is not entirely abused—notoriously in nine-tenths of the cases, and openly.

24,691. I quite agree with you in the idea that the whole system of industrial schools wants reconsideration?—However, they are very good.

24,692. Not only in Ireland, but in England and Scotland?—I do not know about England, but in Ireland they are most useful; industrial schools are most valuable institutions.

24,693. Yes, but they may be abused. With respect to the roads, is that classification of main roads and bye-roads laid down in the Local Government Act of last year?—Yes.

24,694. And this mode of payment for their maintenance?—Yes.

24,695. The main roads are kept up one-half by the county and one-half by the districts; and the district roads are kept up entirely by the district?—That is so.

24,696. I do not know whether you are aware that the main roads in England are entirely maintained by the county?—I believe that is the case. There used to be three kinds of roads in England—but of course I do not know much about it.

24,697. There are only two now?—As I say, I do not know much about the system in England.

24,698. With respect to the prisons, are you not mistaken in saying that you have to pay something towards the expense of prisons?—We certainly have.

24,699. As far as my memory serves me, Ireland was treated in exactly the same way as England and Scotland in that respect?—No, there are bridewells and small country prisons, for which we certainly have to pay.

24,700. You mean police stations?—The bridewells of Tasso and the cage-ways, where the small prisons were abolished. I am quite certain it will be found here in the Grand Jury book.

24,701. I think you will find the cost of the conveyance of prisoners is all paid for by the State?—The prison and bridewell conveyances were under the Grand Jury Act, and I do not think there has been any change made.

24,702. These are very small amounts, are they not?—They are not large; I have not looked at them, but I think there are others scattered about. I see these expenses put down here—"Prison and bridewell."

24,703. Are you sure that the county or district have to pay for superintendence allowances?—It is, of course, a book reckoning when they were in the hands of the county, and they were liable for a certain portion. There is for the conveyance of prisoners, 100*l.* The sums are not insignificant that we pay about prisoners; the sums altogether come to a good deal. It is not insignificant; here is 100*l.* in the first place I look it up.

24,704. In respect of court houses, what do you say?—We keep those solely up, I think.

24,705. And so it is in England and Scotland; I suppose you do not ask for anything different, you only ask that you should be placed exactly on the same footing as we are in England and Scotland with respect to prison or police expenditure?—I do not see that there is any essential difference in the case of Ireland and England, except when the Government settled the number of prisons in England and Ireland, and I think at the present moment probably they seem on rather too extensive a scale in Ireland. The Galway prison is a very fine building, and I am glad to say I do not think it is very well filled at present, so you may have overbuilt yourself in prisons in Ireland, and I rather fancy you have. It is the Government, of course, that settled that.

24,706. The Government have to pay the whole cost with respect to the lunatic asylums, has there been a great increase of lunacy in Ireland?—There is a great increase in the proportion of lunatics reported to the police, but whether there has been a great increase of lunatics I think is very open to question. I am in a state of doubt upon that. I find that the returns show that there is a great increase of lunacy in Ireland, and I think there are ample causes at work to account for it without supposing a single increase in the number of lunatics. In the first place, the dangerous lunatics have disappeared from the roads of the county.

24,707. How have they disappeared?—They have disappeared into the lunatic asylums. They are not in evidence, you need to see asked how running about.

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24,706. That would be one of your cases for the increase?—That would be one. Then they are made more comfortable. That is a very big question.

24,707. No one would desire to become a lunatic?—The last doctor I was talking to on the subject said so, and he was giving evidence. He occasionally notes on the board, as he is a magistrate as well as a doctor, but this time he was in his medical capacity, and he told me so. On the other hand, a large proportion in the county declares that he stopped an epidemic in his district.

24,708. Has there been a large increase in the number of lunatics in the asylums?—There has in the number in the asylums, but then the asylums themselves are much larger and more comfortable.

24,709. They are more comfortable and greatly increased in size?—They have greatly increased.

24,710. Have you thought on what has been suggested in England by a great number of people, namely, that this great has had the result of sending lunatics into asylums who might be treated in workhouses?—I think the lunatics in workhouses are a great mistake. They are demoralising to the other people, particularly to the children, and they require an amount of control which our officers cannot give them. And it is unfair to them. They have no chance of being cured, except that a doctor may take up their case. I should certainly keep them out of the workhouse.

24,711. Have you any different classification of lunatic asylums; for instance, have you what one would call curative asylums, where the worst cases are sent to be treated and cured, and any asylums for chronic cases, such as you would have in your workhouses?—That is a question of medical arrangement; I do not see that that comes much into the question of lunatics.

24,712. Is it not a question of economy also?—I do not see how it would be a question of economy to start a second asylum. All the builders and people of that kind would be delighted to have a second building erected in the county, but somehow or other we would have to pay for it. You see it is a fresh organisation.

24,713. My question had reference to economy?—The old building would remain just as well. What would happen would be that we would fill the new building, and I know it would cost us money, but as to telling you whether that would be a useful classification from a medical point of view, of course my opinion is valueless.

24,714. You object to the mode of election in Ireland of the governors of lunatic asylums. Would you not be satisfied with the plan that is adopted in England of appointing the whole of the bodies by the county council?—I do not know that that was adopted in England. There is a difficulty about that, and I do not advocate that and for a good many reasons. I will give you one reason. For example, we put on the three Catholic Bishops practically, that is we put on two, and a representative of the third, because the priests were not allowed to be elected to the county council. That was one reason why they were put on for the Ballinasloe Asylum. It might be somewhat arbitrary to keep them off the lunatic asylums, where they can be very useful.

24,715. Would it not carry out your principle, if those who have to pay are the people most likely to conduct this work?—That is rather an alternative to my principle. My principle was that the Government should pay for them.

24,716. I said that they should manage it?—Is this speaking of the asylums as managed now. That would logically come as an alternative proposition from my statement. It is not exactly what I was pointing to or what I wanted, but it might logically come from my statement.

24,717. With respect to the small harbours, I know a great deal of that question, having been in the Treasury?—You do. I am very glad indeed to talk about them.

24,718. I presume these small harbours were really built at the expense of the State in the first instance, at least many of them?—No, the pier and harbours built by the Pier and Harbours Commissioners were built out of the Church fund exclusively. Some of what they call Canadian Harbours came from charitable

sources in Canada and other places, and a few of these small harbours only were built, I think, by the State.

24,719. In the case where the Board of Works call upon the district to expend money upon the harbours, would you be satisfied that instead of being rated over the immediate districts you were rated over a larger area?—If you do that you will have the whole county up in arms. Take Tuam, for example. It is 15 miles from the sea; it gets no advantage whatever from these harbours. It does not even get fish from there on the Fridays—that is on the Catholic fast-day. You actually get the fish better from Galway and from these small harbours in Birmingham than in Tuam. Actually the railway carriage is so graduated that it is much easier to send the fish to Birmingham than it would be to send it to Tuam—such is the organisation of the system. So it would be strictly unfair to put over the county the repair of these small district harbours.

24,720. With respect to the railway that you mentioned—Galway to Clifden—you stated that because the Midland Great Western Railway paid a dividend of 3 per cent they ought to be rated upon that, but may not that part of their line between Galway and Clifden be worked at a loss?—It is not worked at a loss, I am told, but it is entirely certain to be worked at a competitive loss in the accounts. There will be every tendency to make a part of the line show a fair return, and other parts of the line show a high return—there you get into questions of figures.

24,721. Supposing the accounts were trustworthy and reliable, would it not be unfair to tax or rate railways, which were worked at a loss, at the expense of the money gained in other sections?—Yes. I quite allow that if you can prove that. I quite allow if you can prove that that railway is worked at a loss, or even at a small profit, it would be unfair to charge it on the whole of the capital invested.

24,722. With respect to this drainage of the State; is it not still a matter of contention between the Treasury and the local body?—The responses are very anxious on that.

24,723. It is still going on?—Yes. There was a very strong feeling about it, it was not my own plan to bring that before the Commission, but several members of the county council to whom I referred the letter of the Secretary of this Commission were very anxious on the subject—several who came from that locality said there was a very strong feeling on that subject.

24,724. (Mr. Elliot.) With regard to the Galway infirmary did the governors or the district concerned make any representations or call attention to the matter in any way when the Irish Local Government Act was passing through Parliament?—It is extremely unlikely, I should think. I have not heard of any.

24,725. (Mr. Smith.) I suppose the county councils, or rather their predecessors, built all the lunatic asylums in Ireland?—Yes; they borrowed the money. There are large returns here showing how they borrowed money from the Board of Works to build them.

24,726. And you got no relief from the Government towards the building fund?—I do not think we got any towards the building fund.

24,727. Would it not meet your view to a great extent if, in addition to the cost of maintenance, the Government found some of the cost of building?—I should say so, if they did that. There is also another idea, which I do not think I brought out, floating in those matters, those who have attended so much in those matters. That is, even if we paid something towards the lunatic asylums, it would be better if we paid a fixed sum, and if the floating sum was left to the Government. Between the governors they appear and the control of the Local Government Board we feel we are pretty well out of it.

24,728. With regard to the voters' list, I presume the principal expense there in the printing, is it not?—Yes, I should say that is the principal.

24,729. Is not that cast as a personal duty on the clerk to the County Council?—There is no clerk of the County Council, there is a clerk of the peace, and a secretary to the County Council.

24,730. Is it not cast on the clerk of the peace?—It is cast on the clerk of the peace.

24,731. I think it is a personal duty, is it not? It is not really the business of the county council, it is a personal duty imposed on the clerk of the peace?—I think we have pretty well to pay on his certificates

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24,734. You have to pay no doubt. I do not know whether you would gain anything from having it put into the hands of a Government Department?—We would if they paid for it.

24,735. Even if it took it out of the hands of your own officers?—The clerk of the peace is not our officer. He has indignantly said he is not. I do not know what amount of control we have over him. We pay part of his salary, but he does not acknowledge himself as our officer.

24,736. Does he not come to the county council?—He comes with great hesitation when we send for him, or rather his deputy, and he acknowledges we have, as a matter of fact, little control over him; but I think he has practically said he must have his office in the court house.

24,737. That would probably come to an end with the present holder of the office?—Very possibly, but he does not acknowledge himself as our officer.

24,738. Have you any county boroughs in your county?—There are two urban districts.

24,739. County boroughs, I asked?—Yes. I do not think it has come to Galway. It has got a Member of Parliament, and, as an urban district, it is going to be created into a separate administrative unit. It had to do that; had to elect that, and the county council had to sanction it.

24,740. What is your exact suggestion with regard to the payment for these harbours?—I think the Government ought to take it up. It is a very small sum in relief of the district altogether. The harbours are managed entirely by the Government without any practical control by anybody. The management is entirely in the hands of the Government through the Board of Works, it is a trading arm from the Receiver, and the Government have actually gained £8,000 a year on these harbours.

24,741. You say districts a long way off—I think you have illustrated Birmingham—derive most benefit from those within 15 miles of the harbours?—No, 15 miles from the sea. Tunn would be 15 miles from the town of Galway, but I had chiefly in my mind places in Connemara, 40 miles off; Tunn is 15 miles as the crow flies, but it is perhaps 30 by road, and there is a change of lines, so that I think there are better arrangements for getting the fish to Birmingham, rather than to Tunn.

24,742. I am a little interested in Birmingham; you would not propose to extend the harbour rate to Birmingham, would you?—No, I send my tribute to Birmingham; I think it is the best market for them, but I do not think that ought to bring you in for our poor rate.

24,743. (Mr. Arthur O'Connor.) I suppose you would not be prepared to admit that the people of Ireland ought necessarily to be satisfied if they had the same arrangements that prevail in England, especially when it is considered necessary to appoint a Royal Commission to inquire into the existing state of things in England?—I think it would be a very big business making everything in Ireland exactly in the same footing as in England, because you do not start level, you do not start fair—you start with a totally different thing.

24,744. The whole state of things is totally different to what exists in England?—Essentially different; I said totally different.

24,745. And it would take a great deal of evidence of a detailed character to inform any ordinary body of Englishmen of the state of things which exists in Ireland, so different is it from the state of things in England?—The whole basis is different.

24,746. (Chairman.) And Scotland also?—Yes; we are not treated to the same amount to begin with. These county councils are not independent as your bodies are in England; we are in the hands of the Local Government Board.

24,747. (Mr. Arthur O'Connor.) Take an illustration with regard to the harbours; these harbours and pier all round Ireland have been, speaking generally, made by the Board of Works?—They have been constructed by the Board of Works, but the locality is chosen in other ways; the Board of Works has not chosen the locality.

24,748. But the people have not built them and the people have not chosen the localities?—The people certainly have not chosen the localities; and I should

say only between five and ten per cent. have built them in the last half century.

24,749. I suppose it may be said of the coast of Galway, as of all the coasts round Ireland, that it is strewn with relics of the work of the Board of Works, very often of very little use?—I could not say the Board of Works have done so much as that; they have not built bad harbours there. I have heard more complaints from other parts of Ireland, but I must say the Board of Works have not built as badly in that part of the world; their work has generally stood the enormous force of the Atlantic rollers. With us they have had no shifting sand or shingle such as occurs to have broken the Board of Works elsewhere.

24,750. Are they all properly and usefully located?—I think those that I chose myself are all properly located.

24,751. Are those which have been made by the Board of Works all usefully and judiciously located in Galway?—I was a party to choosing a certain number of them, and I fancy all my own were.

24,752. Those you did not choose?—Some of them certainly were not.

24,753. Now let us go to another matter. There are a number of different unions in the county of Galway, are there not?—Yes, 10.

24,754. And the valuation per head varies very much from one to another?—Yes.

24,755. In Oughterard the valuation is 16s. per head, you may take it from an official return which we have before us?—Yes, it is.

24,756. In Ballinasloe it is 2s. 15s. per head?—Yes.

24,757. But the poundage of expenditure from the poor rate in Oughterard is 3s. 10d. against the valuation of 16s?—Have you got that from the Year Book?

24,758. I am quoting from an official return?—I wonder how they got their official returns so quickly.

24,759. It has been prepared for us; you may take it that it is so?—I think you are right, it is 3s. 10d. from the figures.

24,760. Let me finish my question: the poundage and expenditure under the poor rate in Oughterard is 3s. 10d. against a valuation of 16s. per head only on the population; in Ballinasloe, where the valuation is 2s. 15s. per head, the poundage of expenditure on the population is only 1s. 7d., there is, therefore, a very great disparity in the comparative burden of the poor rate charges. Do you not think that it would be necessary to get local information with regard to the reasons and the causes of this disparity?—I think I have as much about it as any property in that part of the Ballynahinch (otherwise Clifton) district. I take it that in Ballinasloe and in places that are more like Ballinasloe in the same county, the reasons are not far to seek. You have a beautiful fertile plain about Ballinasloe, the town of Ballinasloe is as good as many English towns, and a fair number of rich people live about it, while in Oughterard you have got a mountainous district with only some spots of good land. In the sea coast portion of Oughterard there is an enormous population that has gone on increasing, or very nearly since before 1848, while in Ballinasloe the population has been reduced. Then the conditions that have created this great disparity are easily seen.

24,761. The fact is this, that where you have a very poor population you have a heavier burden than where you have a richer population?—There is no doubt of that.

24,762. I want to get at the facts; the fact is so?—Yes. But there is also fact you may note. I do not think Oughterard —

24,763. We will get to that afterwards; what is the district that you know most about?—I have been member for the county for 10 years, and member for the district 15 years. I know all the county almost.

24,764. Which is the district you know most intimately?—I know Clifton, Oughterard, and Tunn well, and I know the others fairly.

24,765. I take Oughterard. I suppose under this poor rate, or in connection with the poor rate, there is a very considerable number of different charges?—A great number.

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Ireland
and
England.

Harbours.
Their
position
was
selected
by the
localities.

Chair-
man.
30 Oct '99

Poor
rate in
Oughterard
County.
Amount
of.

24,768. Would it be possible to get a return from Oughterdown showing what are the particular charges and what different charges there are for different areas?—How for different areas; because there is a return rating now?

24,767. Have you any railway guarantee?—Not in Oughterdown.

24,768. Have you any railway guarantee in any part of Galway?—Yes, we have one from Athyone to Longhros, and it is a large one, under the Townways Act.

24,769. What district is that in, or what union, or what barony?—Chiefly or wholly in Longhros.

24,770. Will it be possible to get a return showing, in respect to Longhros, how much goes for poor rate, and how much is charged for railway guarantee, and how much for anything else that may be charged upon the people?—Quite easy. The union of Longhros is peculiarly well managed, and it is rather lightly rated.

24,771. I am only asking you whether it is possible?—Yes, we will get the return.*

24,772. It is possible to get it, that is my point. I am only asking the question?—Yes.

24,773. Without information of that kind, can we get a clear view of the existing facts of the situation, with regard to Galway or Ireland—as it is not necessary to have that information in order that we may understand the question of local taxation?—If you will read them afterwards, of course it will be very useful.

24,774. In order to get a full and complete knowledge of the existing system and circumstances of local taxation in Ireland, would it not be necessary to get that information?—I think you could manage a very useful report without those particular details, but I think those particular details will be very useful, and I will do all in my power to get them.

24,775. I am not asking you as to what you will do. I am asking you as to what is necessary to give us full and complete information with regard to the existing state of things in Ireland, you have told us it is different from that which exists in England, you have told us the different areas are under different charges; now I am asking you whether it is possible to obtain with regard to different areas information as to existing charges?—You will certainly get that information.

24,776. That is possible?—Yes.

24,777. Do you not think it is very important that we should have that information before we attempt to form a judgment as to the existing situation in Ireland?—That depends on a great many circumstances. You might want to have legislation at the beginning of the next session, and I certainly would not put off legislation or report for the sake of a few returns. Of course, that is a question for you to decide—not for me.

24,778. Now you are going into another matter?—I look upon those returns as useful; I do not say they are absolutely necessary.

24,779. I pass on because I do not want to get discursive; I suppose the making of roads improves the property round about?—I should be very doubtful of that.

24,780. Do you think the county could do without roads?—No, you must have your roads.

24,781. You must have roads?—Yes, but whether any increase in the number of roads actually increases the value of the property I think is doubtful. Probably they would where you have tillage, but where you have estates, they, you know, can ask over anything.

24,782. If there are no roads in the country, I suppose the introduction of roads would be useful?—A certain number would. Some places in America are very flourishing without roads, but they have good railroads.

24,783. Do you admit there is any value in roads at all?—I do. There is a great use in them, but I do not say that every pound spent on a road will come into your pocket again in other shapes; and that is because Ireland is not a tillage country at present. I think roads are now made more for convenience, for the conveyance of fuel, for getting to church, than they are made for actual money value in Ireland. We have enough of roads for making money. The new roads that are made are not made for making money, so as to give you fuel.

24,784. Such roads as exist have their value?—We could not get on without some roads or without a railway.

24,785. How have the expenses of making the roads in Ireland been defrayed?—Out of the county rates on the occupiers.

24,786. Who has paid the county rates?—The occupiers of land.

24,787. The occupiers?—Yes, exclusively, except where you see special agreements were made in a very few cases under the Land Act where it was divided between the occupier and the owner.

24,788. With regard to lunatics, do you think there is any ground for the suggestion, that Irish families would be inclined to send their members to lunatic asylums because there is a certain allowance made for their maintenance?—Really it is a question that I could not solve. I have been puzzling myself over that for a very considerable time. It seems to be an inducement. People have come there who, perhaps, ought not. If they get a little nervous about a man, instead of caring him, they send him there. He may go and commit suicide; there is no doubt about it, and they know he will have his best chance in the Ballinacree Asylum, and they are anxious to get him there. They need to look upon it with dread 30 years ago; now they are anxious to get him there. Whether they actually send some people or not I cannot tell you, that is for the doctors.

24,789. Do you think doctors are prepared to certify that a man is insane, because if they do so a week would be paid for the maintenance?—No. I would not go farther than that. At the present moment a doctor in the asylum is in this position: "There are two 'magistrates and a doctor from a locality have certified that the man is insane, so it will be a serious responsibility on us if we discharge him, although 'we know nothing about it.' They do sometimes discharge them. We have had several cases removed. I would have the magistrates' certificate merely to the effect that we have looked after the worthy of the subject; we have seen that this man is not unsuitedly sent there; but really the whole responsibility rests upon the doctors, whether he is to be kept on, or whether he is not. I would have it changed to that extent, so that the doctors would not be able to say they had kept a man for a long time under observation on this original certificate.

24,790. With regard to the railways, you say that the railways in Galway are rated on 7,500, odd a year?—7,500, and I have the papers.

24,791. What do you say is the real value of the railways in Galway?—I should say it is close on a million.

24,792. For rating purposes?—I think most of it ought to be for rating purposes; 7,500 is too low.

24,793. You would rate on what?—On the net profits I think would be a very fair thing; but it is very hard to state what the net profits are.

24,794. Would you apply the same principle to a farm?—I think farms are supposed to be rated on the net profits.

24,795. Are they. They change only every 50 or 60 years?—Yes, that was Griffith's valuation.

24,796. If two farmers have similar farms, one is a good farm and the other is a bad one, one profits and the other loses; do you make any difference in the assessment?—No, the assessments are very seldom changed.

24,797. Two business men in a town differ in the same way, one becomes a bankrupt, and the other makes a fortune; would you, on that account alone, make a difference in the assessment?—I think the man who makes the fortune ought to pay more towards the poor than the bankrupt. I do.

24,798. If they have similar premises?—I do. I think there ought to be some means by which a man, after he has made his fortune, should pay more for the poor. While he is making his fortune I acknowledge there is a difficulty about it, because you are handicapping him, but when he has made his fortune he ought to pay more for the poor.

24,799. It is a matter of annual charge; we charged not for that?—I think a rich man ought to pay more than a poor man. If a man becomes bankrupt he

Collected

Notes.

25 Oct. '99

Locality.

Question

Whether

Inspected

Certification

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Railways

in Galway:

Rating in

respect of.

Colonel Nolan. becomes poor; if another man has made a fortune he becomes rich.

30 Oct. '99 24,800. So that you would say that the railways should be rated according to the value of the land which they occupy, and not gauged by the value of the adjoining land?—I think it is most unfair. We have even poor farms, their pasture, and everything. I think they ought to be rated according to their ability to pay. I quite understand the principle that they do good by their coming here, and therefore that they ought only to pay for the value of the land. I think, to a certain extent, that is acted upon, but I do not think that is a fair principle. Really the shareholders of the railway ought to pay according to the value of the property; it is taxable property, and they ought to pay according to its value for the maintenance of the poor; and so ought all properties.

Galway Infirmary Act. 24,801. With regard to the Galway infirmary a rate is made in respect of it, I understand; how is the rate collected?—The general rate including that rate is collected by the county council, the county council have to collect any rate that the district council ask for, then the district council have to pay to the governors of this county infirmary any money the governors vote. I believe there is a limit of a penny, but that has not yet been reached. Those governors are chosen from the district council. It is a very complicated and foolishly complicated system, which has been forgotten in the Act.

Explosives Act. 24,802. You were saying something about railways in reply to his Lordship, the chairman, and then you added there are some other small questions?—I forgot the explosives. We think the explosives ought to be taken over by the Government and paid for by the Government. We have to pay for the working of the Explosives Act. Perhaps having been an auxiliary officer, I might be useful, but as a general rule the councillors are quite incapable of dealing with explosives, and I think we might fairly hand that over to the Government constabulary, and let them take the whole responsibility of the charge. We cannot keep it down, we have no control, and we ought not to pay it.

Medical officers, as men of professions. 24,803. (Mr. Dalton.) From your evidence on the medical relief, am I right in inferring that your medical officers are not paid entirely by salary, but partly by fees, and the number of attendances?—Yes, they can practice privately as much as they choose. In no case have we claimed the exclusive labour of the medical officers, they can practice their profession separately.

24,804. My question is rather, do the guardians pay these men salaries for all their poor law work, or do they pay them a certain salary, and then 10s. fees for red tickets, and 50s. for the black tickets, and so on?—We pay them by salary, but we also pay them for a large number of contingent expenses, we pay them for certificates for vaccination, they are occasionally called in, and they get extra fees for certain cases of child-birth, and they are continually getting extra fees for a large number of extra purposes, and when they go away on leave some fee is paid in their place. Then they do a great deal of registration work. So they get a large number of extra fees. On the tickets, the black being for visits at their own houses, and the red where they visit outside, they are supposed to get nothing, I do not think that supposition is always carried out, and I think it ought to be abolished.

24,805. They get nothing extra from the guardians for this?—Nothing from the guardians.

Harbours. 24,806. With regard to these small harbours, are they of any service as harbours of refuge for shipping?—No, they are no use for that, because scarcely any of them would admit any boat at low tide. The head of the pier is always dry at low spring tide. If you went below that, these small harbours would cost a great

deal more. If you once began building below spring tide, of course you would require a different class of building altogether. Practically, none of them are built below that. I was on the Harbours of Refuge Committee as well as the Fishery Boards, so I know this subject pretty well. I would say, practically, they are no use for such a purpose; of course, a fishing boat may run into them occasionally for purposes of refuge.

24,807. With regard to a lunatic who is not properly a lunatic but gets into the asylum, does not the doctor alter a week or two find out whether he is a proper patient or not?—I do not know whether he does after a week or two, but he does after a month or two sometimes—I have known cases.

24,808. And then he discharges him?—Yes.

24,809. Do you have many inmates there who are merely suffering from senile dementia—dementia in the faculties, or not?—I remember sending one man there of that kind, but he also had some hallucination. I think it was almost unfair, but they began to ask him if angels visited him. He was quite sane up to that point. I rather think the maintenance wants to be transferred in such cases. He was a very doubtful case. I should think one man out of about eight or ten would come under that category.

24,810. Of what classes do the inmates of your workhouse most consist; are they old, sick, and feeble mostly, or have you got the able-bodied?—We have not many able-bodied men, we have a great number of able-bodied women. The able-bodied men are very often people reared in the workhouse, and they come back again—they have not the slightest objection to coming back. With regard to the able-bodied men, we take them in winter, we object to them strongly in summer, and we will often refuse a man in summer, but, for example, if the snow is on the ground you can hardly refuse anybody.

24,811. Do you make any difference in the treatment of the able-bodied and the sick in your workhouses?—Yes.

24,812. Of the old and feeble, and the able-bodied also?—I do not think we classify them separately in the workhouse anywhere.

24,813. You treat them all alike?—We do not treat the sick alike, but I do not think we have separate rooms.

24,814. Do you give out-relief to the able-bodied paupers?—Yes, outdoor relief is given in considerable amounts.

24,815. To the able-bodied or merely to the widows?—To families; some are able-bodied with a family.

24,816. To the aged?—Generally, but very often to the able-bodied too.

24,817. Is there any rule prohibiting your giving it to the able-bodied?—The only rule, I think, prohibiting our giving it, is giving it to persons with more than a certain amount of land—half an acre or an acre of land. Where they have a quarter of an acre or a small amount it is given, but that is often given through relieving officers. The limit was originally a quarter of an acre, and I dare say it is a quarter still, but it is often done, because although the guardians could not give it they may give only a hint to the relieving officer by saying they will not object to it, and then that relieving officer can do it on his own responsibility, and that will be passed by the board. He does not give it against the wishes and opinions of the guardians.

24,818. (Chairman.) Have we missed anything?—No. I think you have been very kind indeed, and I must thank you. I only wish I had been better furnished with figures. But the fact is our Year Book this year is quite incomplete. It was a difficult thing to get out a Year Book for the County Council at all.

The witness withdrew.

Mr. WILLIAM FIELD, M.P., called and examined.

24,819. (Chairman.) We know that you are a member of Parliament, and also a member of the Blackrock Urban District Council, on whose behalf you have kindly consented to come here to-day to give us some information?—Yes. I am also a member of the Dublin County Council, but you will have other witnesses from the Dublin County Council, and I do not appear on behalf of them.

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24,820. The first point which I think you wish to speak to is as to the rating of Government buildings?—Yes. With regard to the rating of Government buildings, from what I can learn, and I have made some inquiries, I am told by those who are competent to give an opinion, that the Government buildings in Ireland are not rated in proportion to other buildings. I understood there is a fixed charge paid for them,

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Government buildings should be valued

and I do think it is unfair that the Government buildings should be allowed to meet ordinary taxation by a fixed charge, rather than by a valuation in the same way as the other buildings of the country.

24,821. You are aware that the position of Government buildings is somewhat similar in London, and that the Government give a contribution, but that those buildings are not rated in the same way as other buildings are?—I am quite aware of that, but it does not follow because what, in my opinion, is a bad example, is given in London and elsewhere, that it should be followed in Ireland.

24,822. No, I am not seeking to get that upon you, but I would like to ask you what is the suggestion that you would make for arriving at the true value of the Government buildings—the really outside value—and I think we might probably agree to apply the same principles to Government buildings in London and in Dublin?—I think the Government buildings ought to be valued by the Valuation Office, and that this valuation should be undertaken periodically. I would like to join with the Government buildings the other questions of re-valuation of all the buildings, and, in fact, the land in the country. These valuations appear to me to take place very cursorily. I think there ought to be a set time when these valuations should be made; either every 5, 7, or 10 years, so may be judged advisable. I think the Government ought to pay half the cost of this valuation. Our experience in Ireland—at least as far as I have been able to ascertain—is that a great many of the owners of the rich have low valuations, and a great many of the business houses have rather high valuations, and, in some instances, even the business houses, the very good business houses—for instance in certain portions of Dublin—were not valued up to their present value as in other parts of Dublin. I am a member for Dublin, and therefore I take a particular interest in it. Other parts of Dublin are too highly valued.

24,823. You agree with what several witnesses have said to me, that the existing valuation is out of date?—It is out of date.

24,824. And ought to be revised, and brought up to satisfy modern requirements?—Certainly; I think that is a proposition that does not need any argument, it is a self-evident.

24,825. Is that all as to valuation? May I go to the question of exemptions, or do you wish to say something more on valuations?—There is one thing more I wish to say about valuations, and I will not delay the Commission, because you have had evidence of this so frequently before; that is with regard to the Griffith's valuation. I have a pretty good experience of the country up and down, because I have meetings and business; and my opinion about Griffith's valuation is that, although it was an exceedingly good valuation when it was made, it scarcely applies now, because in some instances the land has very much increased in value, and in other instances it has very much deteriorated. I do not wish to labour that point, but I have a suggestion to make on the question of the valuation of land that I would like the Commission to consider; that is, I think that unimproved land ought to be subject to a small cess. All the great grazing sites really are, to a large extent, unproductive, but I think they should pay a certain small amount per acre; that is a principle that I think ought to be adopted by the Legislature.

24,826. Would you be satisfied with a proposal which made an estimate of the annual value of the land, and put a rate upon that value?—That would meet it, but still the land that is not tilled does not produce the same utility to a community, and I think the man who keeps it unimproved ought to pay something.

24,827. Naturally, but would you approve, speaking generally, of the principle of rating land like other hereditaments, upon the basis of the annual value?—Certainly.

24,828. You want to say something about the rating of manors, as I understand?—I think it is not necessary to elaborate it further than to say that the valuation of these manors appears to have been made a very long time ago. In addition to that, in Ireland there are a great many empty manors. It might work differently to the way that it does in England, because the hereditary seats of the gentlemen in Ireland who need to live in the country in a great many instances are empty; but still the principle, I think, should be adopted in Ireland as in England.

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24,829. Would you take something approaching to the letting value?—Yes.

24,830. What have you to say about tenements and business premises?—Let me take some places I know. There are tenement houses in a great many streets in Dublin. I know Gardiner Street very well, and I know some places in my own division, St. Patrick's Division. Those tenements were valued when Dublin was much more prosperous, probably, than it is at present, and when the houses were inhabited by gentry. Now they are a set of small tenements, and of course they are obviously reduced in value. If I might explain to the Commission what tenement houses in Ireland are: In Gardiner Street there are big houses there, where there would be 30 rooms, say; those houses are let out in one or two rooms each, to separate families, but the entire house was formerly occupied by one family. That is what we call a tenement house in Dublin.

24,831. What is your suggestion about the valuation of tenement houses?—I think they ought to be re-valued in the same way as the other houses.

24,832. Your general answer would cover that, would it not?—Certainly.

24,833. Do you say that the time has come when the systematic re-valuation of hereditaments in Ireland should be undertaken?—That is absolutely necessary, in order that you may have a fair basis of taxation.

24,834. And the same would apply to business premises?—Yes. The value of business premises depends very much on whether a neighbourhood has gone up or down.

24,835. I think perhaps the next best head to take is the question of exemptions.—With regard to exemptions I cannot understand why only the real property and houses and land are taxed. If land is taxed why not ground rents? This is a point, in fact it is the main point, upon which I desire to give evidence before this Commission. I happen to have an intimate knowledge of the circumstances connected with this question, which I think makes it my duty to appear before this Commission. In towns the municipal taxation increases the value of the towns.

24,836. Do not let us get on to ground rents for the moment, we will take you on to that. As I understand the word "exemptions," and as we generally use it in this Commission, we mean exemptions in favour of particular hereditaments, which if they are not occupied in the particular way they are, would be rated—such for example as buildings used for religious, charitable, or scientific purposes, and so on. Do you wish to say anything on that point?—I will take that. With regard to the exemptions I think the exemptions of certain charitable institutions often set hardly against the ratepayers of a particular district, that is to say, if a number of the inhabitants of this institution come from different counties, the incidence of the taxation is borne to a much greater degree by the ratepayers in the district where that institution happens to be placed. Now I heard some evidence about the lunatic asylums. We have an enormous lunatic asylum in Rathfriland, just outside Dublin, which is connected with the county of Dublin. At that lunatic asylum they were obliged to borrow a sum of a quarter of a million of money. An enormous number of people have come into that lunatic asylum from all parts of Ireland, there is a expenditure charged on that, but at the same time my experience is, and I have been speaking to the chairman of the Dublin County Council on this matter, that the ratepayers of the people who benefit from the institution do not pay the same proportion at all to the cost of the County of Dublin people do.

24,837. The exemptions of which we are speaking are regulated primarily, are they not, by the Poor Relief Act of 1825?—Yes.

24,838. Have you anything to say as to the policy of the exemptions which is contained in that Act; do you think that they should be extended, or that the net of rating should be drawn closer, so as to include some of the things that were then exempted?—I think the whole subject needs inquiring into by a committee or a commission. Circumstances have changed so much; many new duties have come upon the community with regard to sanitation, lunacy, poor law relief, and various things; the circumstances that existed at the time the law was passed have been altogether changed and

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Mr.
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Exemption
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simplified, and the result is that the charges which were then far too great fall in the same way on the community now.

24,833. I will give you an instance to illustrate the sort of information I want to get from you. As I understand it, mines in Ireland are rated, but are not rated until they have been open for seven years?—We have a few mines in Ireland.

24,844. I only take it as an illustration; do you think that that is wise?—No.

24,845. Would you like to see that restricted?—I would like to see it restricted. I think it ought to be treated in a different way; at the same time I would like every opportunity to be given to open up industry in Ireland in a way that, unfortunately, has not happened up to the present.

24,846. You do not object, as I understand, to the exemption of churches and buildings which are used for religious purposes?—No, I do not.

24,847. What do you say about charitable institutions?—I think that as a matter which requires inquiry into. I think unless the charity is rather extended—when I say extended I mean general over the community—it ought to contribute. I think local charities ought to some extent to contribute—but in a lesser degree—to local rates.

24,848. Would you agree with me that exemptions ought to be very carefully scrutinised, and not to be given in favour of any particular institution except upon very carefully considered lines?—Decidedly I would.

24,849. What charges do you think are imposed upon the rates which ought to be borne by the Imperial Government?—I am connected with the cattle trade, and I think one charge which to my mind presses exceedingly heavy on the ratepayers in Ireland is, or was rather, when the pleuro-pneumonia was prevalent. I think that should have been made an Imperial instead of a local charge, and I think the charge for swine fever should be made an Imperial instead of a local charge.

24,850. Just let us test these; they are both, are they not, matters which are regulated by local authority?—They are.

24,851. And it is the local authority that decides, is it not, whether certain kind of cattle are to be slaughtered if they are infected by pleuro-pneumonia?—Yes, it is the local veterinary authority, of course, who represents the local authority, but at the same time it is an Imperial matter. It is only a matter of accident in my opinion that those diseases happen in certain places. That principle would apply, of course, to England in the same way as it would to Ireland, because after all what we call the health of the cattle—there having a clean bill of health—means an enormous value to the country, and it is not so much an individual's ease, because an individual would not be able to bear the strain of it.

24,852. Is there any other point?—Yes, there is another point, about the extra police charge. I think that ought to be made an Imperial charge instead of being put on the local rates.

24,853. Let me see whether I understand. Supposing it is thought necessary by the Government to send down extra police into a district if they apprehend disorder, the locality is charged with it?—Yes.

24,854. You think that ought to be Imperial?—Decidedly.

24,855. Why?—Everybody in Ireland looks upon this as most unjustifiable. There is a very strong feeling in Ireland against that. I do not wish to go into the causes just now, this is not the place for it, but very frequently it happens there is a difference of opinion between the Imperial authorities and the Irish people, we will not go into that.

24,856. We can discuss these things here quite easily without passing, I think, controversial questions?—It is talked in every county more or less according as the occasion arises. Another point to consider with this, which I think should be understood fully by this Commission, is that we contend there is no country in Ireland which has got its full quota of what is called a free force. That is a matter, of course, which would require to be looked into, and I am not prepared to give the figures for it, but I have it from an authority on the subject.

24,857. Perhaps I shall not carry you with me, and if so you will tell me so quite frankly, but do you not think that from a Government point of view, there is something to be said for putting a charge upon a district in which order is not maintained?—Decidedly, I do. Perhaps if I was a Governmentist myself, I would strongly advocate that, but I am representing popular opinion, and representing my own opinions.

24,858. Nothing could be fairer than that. I will take that as your answer?—Then this fact must be remembered that the charge for the constabulary was originally put upon the Imperial exchequer, and we look upon the constabulary in Ireland as an Imperial force, and not a local force. And mark, the constabulary is not under local administration. So that it comes to this, that we have to pay for an Imperial force over whom we have no control.

24,859. You have to pay under these circumstances?—Under all circumstances to a large extent.

24,860. But not under any other circumstances?—Yes. We are charged with the enormous cost of the constabulary, and we have no control whatever over them.

24,861. What is the charge you pay for the Royal Irish Constabulary?—I forget now exactly, it is more than a million, it is a million and a half.

24,862. From what fund is that paid?—I know we have to pay it in the long run, or the greater portion of it. I think there are some grants made from the Imperial exchequer.

24,863. Is it laid on by means of a rate?—No, not by a rate, but we have got to pay for it. We have to pay for everything in Ireland. We are overtaxed by about three millions a year, but I do not want to go into that; that is not a question for here. It is paid out of the revenue of the trade in Ireland, and we have no control over it at all.

24,864. Is there any other charge of which you complain as one which ought to be borne by the Government, but which is now on the rates?—Yes. There is the Lord Lieutenant's maintenance, and various things that are looked upon as Imperial charges in this country, but which are put down as local charges in Ireland.

24,865. As Mr. O'Connor says, it takes a great deal to educate those who come from this side of the channel into all the differences which exist in Ireland; but is the Lord Lieutenant or any of his expenses in any way put upon the rates?—Not on the rates, but they come out of the general revenue of the country.

24,866. Excuse me, the heading in your paper under which we are speaking here is: "Imposition on the rates of charges which ought to be borne by the Government."—That brings me right into it. I say the Government ought to pay that, and not us.

24,867. But is the Lord Lieutenant on the rates in any sense?—We pay for him—we pay for the Lord Lieutenant, and we pay for the Chief Secretary. What pays it? Only the rates.

24,868. I am sure we shall get on all right if you will just answer the question: Is the charge for the Lord Lieutenant on the rates?—So I understand; I will not give it you definitely, but as I understood it, it is so.

24,869. Very well; is there any other matter?—There are some small charges, but I do not wish to go into them. I do not think we ought to go into these very small unimportant things, as I do not wish to detain this Commission. I think what we ought to do is rather to adopt large principles and try to work them out.

24,870. Then you suggest a question on which I understand you would like to say something, as to the justice or injustice of rating real property only, that is houses and land?—Yes; I cannot understand why ground rents—or otherwise land values, we might call them—are not rated. I will give you an instance that occurs within my own knowledge, but I do not want to mention any names. I know a town in which I myself have property—

24,871. Is there any objection to naming it?—Not the least, I have no objection to naming it, it is Kings-town. It was absolutely an agricultural holding some 80 years ago, but in consequence of the Government building a harbour there the place became a town. Very well, in due time a town commission was formed, municipal authorities grew up, and all this time since the town commission was formed, which subsequently became an urban district council, the coopers have

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The rates
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 of the rates
 payers.

been paying rates. These rates, which were paid by the occupiers, went to build roads and to provide all the necessaries for a community.

24,876. What is the tenure in Kingstown; are the ground rents perpetual or are they leasehold?—I am just coming to that. It was a terrible leasehold system, which, in my opinion, is a very bad system.

24,877. What duration are the leases?—I am just coming to it. The leases will be all out in the years 1901 to 1904, and yet the ground landlords, who contributed nothing at all—

24,878. I want to get the facts, I will take you on the inference at a moment; what was the duration of the leases, were they 50, 60, or 100 years?—Generally about 90 or 99 years, and then there were the middlemen who came in.

24,879. You say they will expire within the next 10 years?—Yes, within less than that.

24,880. What is the suggestion you want to make on that?—The suggestion I want to make is this, that in my opinion, as the ground landlord has realized the improved value which was made by the taxation of the occupiers, I cannot understand why he should not contribute to the local rates of that place. I look upon it as a double injustice, for this reason: that the occupiers provided the money which made the place a township by reason of providing the public facilities, and in consequence of the expenditure of his money, the ground landlord absolutely doubles or triples, or sometimes charges him five times the ground rent, so that he is taxed upon his own improvements.

24,881. What I want to get from you on that is, what is the suggestion that you make. Do you suggest that at the time when these leases expire some method shall be devised whereby on the renewal the community are to get some share of the increased value if it is increased; or do you suggest that the ground rents which are now existing should be rated?—I think all ground rents should be rated all over the three Kingdoms.

24,882. Could we not just keep to Kingstown for the moment, as we began upon it?—It would be more easy to deal with Kingstown by reason of the fact that the tenure is very generally expiring within a few years, and it might be begun probably there, and in that way I think the increased ground rents should be subject to a rating.

24,883. What increased ground rent?—It is a general increase all over the town, a very general increase.

24,884. Taking the instance of Kingstown, is it your suggestion that the existing ground rents should be rated or that when they expire and the new tenants is made a fresh distribution of charges should be undertaken?—If the Legislature was inclined to do its duty so as to have a fair incidence of taxation, I would say they should begin with the existing ground rents, and then that the re-valuation should take place easily in the same way as the buildings and the other lands, and that it should be decreased or increased according as the value goes up or down.

24,885. You would apply that, as I understand it, generally?—Yes, all over the three Kingdoms. As a matter of fact I had an amendment put down to the Queen's speech on this question of ground values, and it was very near passing the last time, even with the Conservative Government. We were only defeated by a majority of 32—so it is coming.

24,886. As you have just indicated, you regard that as a double injustice?—Yes.

24,887. And the example which you wish to give is that which you have given—Kingstown—is it not?—That is it.

24,888. Does that exhaust what you wish to say on that head, or have you anything more to say?—No, I have nothing more to say; I do not wish to detain the Commission; I think I have put it pretty strong.

24,889. Please do not put it on the ground of detouring us; we have plenty of time, and if you want to say anything more upon it, please do so?—I have just one remark to make upon it, and it is this: before these towns were formed the people who occupied the place had very little occasion to pay, they had practically only county rates, from which the landlord paid a half, and a poor rate of which the landlord paid a half. Then, according as the towns grew up their responsibility

increased in the way of sanitation, education, amusements, gas, water, and all these things, and they have to bear all those loads, from which the ground landlord is practically free. That is an important point. He should bear a share of the burden when he gets the increased profit that comes out of the taxation of the community.

24,890. Have you ever thought of the possibility of drawing a distinction in rating ground rents, as between things which really contribute to the value of the revenue and the things which are purely, or at any rate mainly, for the benefit of the occupier? For instance, would you rate ground rents for lighting?—I would. You would have all the rates put together, say, for instance, my experience in the township of Blackrock is that the rates have doubled since the time I began to know it; since the time I was interested in it they have more than doubled in fact. Of course we have certain advantages from the payment of this rating, but when the rates go out the landlord gets the benefit of that by the increased value of the land. I say he should contribute his portion according to his ability. I am a ground landlord myself, as I happen to have a piece of land in the middle of the town, which is most valuable.

24,891. You are more fortunate than I am, for I am not?—I would be very willing to pay my share of the taxation. I do not want for any man to do what I would not do myself.

24,892. I am sure of that?—I am a ground landlord, and I think it is an entire mistake, and opposite the first principle of taxation, which I understand to be that every man should bear his fair proportion according to his financial ability.

24,893. Is there anything in regard to the mines, or the royalties on mines, that you want to say?—Yes, I think the royalties on mines should contribute to the national expenditure.

24,894. What do you mean by national expenditure?—I mean to the Imperial expenditure. I do not know whether it comes within the scope of this inquiry, but I think that, if possible, where the mines are situated they should get a certain benefit locally—that a rate should be divided if possible. For instance, take a coal mine in any part of the kingdom here, I would give a certain portion of the rates to that locality which is so fortunate as to have the coal mine, and I would give another portion, half of it, say, to the Imperial exchequer.

24,895. You are speaking of the rate upon the royalty?—Yes.

24,896. You would not be satisfied with the income tax upon the royalty as the Imperial contribution?—I do not think that quite meets the case, the income tax is, I think, the fairest tax of any, but at the same time I do not think it meets the case, for this reason: It is by a mere accident that certain gentlemen are owners of coal mines, whereas with the income tax, in my own case I have to pay income tax on my business, and other men in other professions do the same. We have got to earn it very hardy. But it is by an accident or lucky chance that a man happens to own a coal mine. He has no expenditure of brain or labour to make that income. Why should he get off as cheaply as a man who has to earn his income by a large expenditure? I do not wish to go into the income tax, because I do not suppose it is within your scope, but as it is introduced I would like to say one word on it. I think it is most unfair in the income tax, that a poor governess or school teacher is charged the same amount as a man who has an enormous income. I believe in a graduated system of income tax.

24,897. Do I understand you to suggest the rating of stocks and shares?—Yes. I have always had that in my mind. I cannot understand why wealthy men, say, who live in a neighbourhood, but who live in lodgings or in hotels, and neither build a house nor buy land—some of them live very well, and some of them are very miserly—should not contribute something in ratio to their ability or substance towards the taxation. Probably you would ask me how I would meet it—I would have a tax or transmission fee on all the shares and stocks.

24,898. You mean in addition to the present death duties?—Yes, in addition to the income tax and the death duty.

24,899. (Mr. Elliott.) And in addition to the present stamp duties?—Yes.

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M.P.
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Miss.
Royalties on mines
should
contribute
to Imperial
as well as
local taxa-
tion.

Stocks and
shares
should be
specifically
taxed and
rated.

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24,882. You know, of course, there are stamp duties at the present moment?—Yes, but they are very small.

24,883. Do you know what the rate is?—No, I do not.

24,884. It is 10s. per cent?—I would double that; I would make it a great deal more. It is all very well, some of these fellows make plenty of money, and other men can hardly live at all. With regard to that rate per cent, I know there is a rate per cent, but I would increase it to very much more than what it is. I would not allow any transaction to take place without a certain stamp duty, and I would double that in the case of foreign securities.

24,885. (Chairman.) Are the proceeds of this new tax that you would put on to go to the Imperial exchequer or to the local rates?—I should divide it. I know you have, for instance, two or three places, or half a dozen places of residence, but the majority of the community are very lucky if they have one. If a gentleman lived in two or three places, I would divide it between the two or three places, and I would give it half to the local rates and half to the Imperial exchequer. I think our present system is all wrong. I do not wish to detain you, but I think this is such an important matter that I would like to point out that if a man, for instance, wishes to buy a house, look at the enormous amount of expense he is put to about leases and title and legal expenses. If a man is a business and he wants 500,000 from a bank, he has to get a threepenny stamp or a sixpenny stamp, and he has got to pay the interest as well. So that it just comes to this, that we have a house trade where we are turning over a volume of trade at home, and we allow three stock and share men, particularly the foreign stocks and shares, to escape from anything like a similar amount of the financial pressure which we impose on the people at home. I have been thinking over that for a number of years, and if I thought there was any chance I would have done something—only a member of Parliament cannot bring in a financial Bill. I would like to see it brought into actual operation.

24,886. I think you have a complaint that Irish railways are not taxed?—Yes, the railways in Ireland are not taxed, and the reason they give is rather peculiar. They say they are not able to pay the tax, but as a rule I understand the majority of the Irish lines except these light railways pay higher dividends than the English railways.

24,887. Do you mean that they are not rated—we generally use the term taxation as what the Imperial Government takes, and rating as what the local authorities take?—They are rated for the local authorities, but they are not rated for Imperial purposes the same as in England. They do not pay what is called the passenger duty, and therefore they do not run what are called cheap workmen's trains. On this point I have probably a rather peculiar notion; I think all these public utilities which are private monopolies should be rated.

24,888. Just let us clear up the facts first before we draw the inferences; is there any difference between the position of Irish railways, either as to rating or as to taxation, and the English, except the fact that the Irish railways do not pay the passenger duty?—Not that I am aware of.

24,889. But that is surely an advantage to Ireland, is it not?—From a working man's point of view I do not think it is, because although they are free from this passenger duty I do not see how it affects the financial position. They are free from the corresponding obligation which exists in England of running cheap workmen's trains, which I think is a great benefit to the community.

24,890. To use the phrase in the strict sense, there is no obligation on the English railways to run cheap workmen's trains, except that the cheap workmen's trains are amongst the passenger duty?—Perhaps obligation may not be the exact, correct, technical term to use, but if there is not an obligation there is certainly a definite understanding, which amounts to almost the same thing in practice.

24,891. Do you suggest that if Irish railways were put on the same footing as the English railways as regards passenger duty that would meet your view?—No; outside of that I would tax all railways, tramways, gas companies, and companies like the London water companies; I would tax all companies which were

private monopolies that controlled what are in reality public utilities.

24,892. Just let us clearly understand that. I do not think, as far as England or Scotland is concerned, that there is any difference made, either as regards rating or as regards taxation, as between tramway companies, gas companies, water companies, and any other enterprise; is there any difference in Ireland?—No, not that I am aware of. I think the principle would hold good for the three Kingdoms, for this reason: People must move about in this age, and if a private company practically controls the transit of the people and of animals, and if they thereby have the means of taxing the community, I think the community are bound to get something back for it. They have thereby a means of taxing the community, because a monopoly gives the company practically the power to tax the community.

24,893. Take any one of these enterprises which are mentioned; the position may be different in Ireland, but as far as gas is concerned, which perhaps is typical of the others, as I understand it, the municipality has the power to acquire the undertaking of the company upon certain terms laid down by Parliament?—Let us take the Alliance and Dublin Gas Consumers' Company. They pay a dividend of something like 10 per cent, and have paid it for a number of years; they have accumulated an enormous fund, and their shares are at a tremendous premium. Gas is a necessity for light for the community, and until the electric light was invented there was no other means of providing it. I say a company like that which has the power of taxing the community, should pay some rate when they are able to earn such enormous dividends.

24,894. Let us follow it out: the gas company in Dublin has, of course, its works and its main underground?—Yes.

24,895. Are these not rated?—The gas company, I suppose, is rated, but the mains do not pay. In fact, I happen to have come into some particular technical knowledge about this just lately, because I happen to be a member of the Port Docks Board in Dublin. We have had a contention with the gas company. They want to bring a new main along a certain portion of our premises, and we were coming to a practical agreement as to the sum which they should pay; but this agreement was thrown off, partly because we wanted to call it wayleave, and they would not consent to pay any sum of money as wayleave, because they said that was a legal principle which they never conceded to.

24,896. Just let us keep to the particular point, at the moment, of existing facts. Let us get the facts first?—That is an exciting fact, do you see.

24,897. The facts are, are they not, that on the works and on the underground against the gas company is rated?—I do not know about the underground mains; they are rated, of course, for the works. They pay some small equivalent for the underground mains. But do you not see that we are in a progressive age; the tramways, for instance, when they were beginning—

24,898. I will give you every chance, but just let us keep to one thing at a time; is there any difference that you know of between the position of a gas company in Dublin and a limited company making gas in London?—Not that I am aware of.

24,899. I am asking that for a particular purpose, because I understand that there is a difference—that the decision in law has been different as between the two countries?—It has not come to my knowledge. If I understand it, the purpose of this Commission is in order that we may improve the existing state of things.

24,900. Perhaps I put it too absolutely in law, but in practice, I understand that there has been a failure to rate in Dublin upon what is called the monopoly value of the gas undertaking; is that the point that you are taking?—That is one of the points. I think the monopoly value ought to be insisted upon on all these public utilities that are managed by private companies. I have very strong views on that. I think gas, water, tramways, and railways all ought to belong to the State, and if possible I would tax them out. I will give you my opinion straight out.

24,901. Does it not meet your view that these companies, whether gas or tramways, should be rated for municipal purposes upon the value of their works, and upon the value of their lines, whether underground or

Monopolies should be rated.
Position of railways, tramways, and gas companies discussed.

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overground, for conducting their business?—No, I would tax them according to their ability to bear taxation, upon the amount which they would earn from the community.

24,912. What is the best which you would apply to their ability to bear taxation?—Let us take the gas company for instance; they earn a great deal more than the 10 per cent which they are allowed by law to distribute to the shareholders. What do they do with that? They put it to the reserve fund. I say that should go back to the community to lessen the taxation which they are obliged to contribute to. I have nearly done now; I have nothing more to say, really.

24,913. I am rather anxious to get precisely what your view is. I do not myself see why the gas companies or tramway companies should be differently treated from any other public companies?—Might I ask what you mean by "any other public company"?

24,914. Any company which carries on the business in the town? Do you not see there is this enormous difference between a gas, a water, a railway, or a tramway company, which are practically monopolies, and the other companies, which have competition, which brings them down to the lowest point of working economically and at the least expense. I say then, properly speaking, are not companies at all, they are public utilities; there may be a number of these, for instance, as here in London, where you have several water companies, but they generally agree; there may be a number of these, as the different railway companies, but they, too, agree in the Clearing House.

24,915. What is the test you would apply upon which their valuation is to be made out?—I think their net earnings would be a fair test.

24,916. Why should you rate a tramway company or a gas company upon its net earnings when you do not rate, we will say, a banking company upon its net earnings?—Because a banking company will have competitors, and the tramway companies—now I am speaking of where there is a monopoly such as there is in Dublin; I am not speaking now of where there are different competing firms.

24,917. You may assume, I think, that a tramway is actually a monopoly?—The banking company would meet with competition which would bring down its earnings, but the other is a monopoly, and ought to be a public utility in public hands.

24,918. If the fares and the charges are fixed by Act of Parliament, that does not, in your opinion, compensate you sufficiently?—Your Lordship has a great grasp of this question of fares, because I know that your Lordship had to do with the railway business. I acted on that Select Committee on Railway and Canal Rates and Charges for three months, and I never lost so much time in my life, and hope I never will again, because there was no actual result out of it. This idea of an Act of Parliament controlling rates and charges is simply a fairy tale, it does nothing of the kind. Therefore I suggest that the net earnings is the only way to come at it. Parliament cannot control these monopolies, and does not, and does not even attempt to do it.

24,919. In other words, you would rate them on the income?—I would.

24,920. Have I missed any point?—No; I am much obliged to you.

24,921. (Mr. Stewart-Woodley.) You know there is legislation, statute law, on the subject of cheap trains; does not that apply to Ireland?—No, because they are free from this railway passenger duty. I asked a question in the House, and that was the reason that was given—that the Government had no compulsory power on account of that.

24,922. Then, as a matter of fact, the Cheap Trains Acts, as we know them in Great Britain, do not apply to Ireland?—They are inoperative; there is no such thing, we never heard of them.

24,923. As regards the gas company in Dublin, it has an Act of Parliament, I suppose, has it not?—Yes.

24,924. Does not that provide, like the English Gas Companies' Acts usually provide, that any excess of dividend over a certain maximum rate should go in reduction of the price?—Yes; but this the railway companies: they manage to evade the Act of Parliament, and they put it to the reserve fund, or they increase the salaries of their officers to an enormous extent. I need not tell any business man that there

are a thousand ways of spending the money without returning it back to the shareholders or reducing the price; it is only a matter of manipulation.

24,925. At all events, the same obligation exists?—Decidedly, but it has no practical effect.

24,926. (Mr. Russell.) I should like to ask you one or two questions with regard to what you said about the diseases of animals. I think you have special means of gauging the opinion of those who are interested in the live stock of this country?—Yes, because I happen to be President of the Cattle Trade Association.

24,927. Would your view be that wherever the State directs operations under the Diseases of Animals Acts that the State should bear the burden?—Decidedly.

24,928. And that should apply to any diseases of animals?—To any scheduled diseases.

24,929. Diseases which were controlled by the State?—Yes.

24,930. I rather understood you to attach great importance in any system of local taxation to a contribution according to the ability to pay?—Yes.

24,931. Do you not think also that some regard should be had to the benefits received?—Decidedly; that is a correlative obligation in my opinion.

24,932. Take, for instance, the establishment of free libraries; who would you propose should contribute to the cost of free libraries?—I think the ratepayers generally.

24,933. Would you say that the ground landlords, say in Kingstown, are very much interested in the establishment of free libraries?—No, I do not think they would be. The only Act of Parliament I ever did get passed—and probably the only one I ever will get passed—was in connexion with this very subject of public libraries. The rate for public libraries is really so small and infinitesimal that the charge one way or the other would bear no significance to a ground landlord.

24,934. Take, for instance, the cost of lighting the streets; who would you suggest should bear the burden of the cost of lighting the streets?—Mainly the occupier, but I certainly think the ground landlord should bear his share, because if the streets were not lighted the occupiers could scarcely stay there.

24,935. That would apply also to the provision of bread; if there were no bakers' shops they would not buy?—That is a different portion of the subject altogether. The ground landlord, whatever he may do to take the bread from a man, certainly will not provide it for him.

24,936. I rather want to get from you the reasons which lead you to think that the ground landlord ought to contribute to the cost of lighting the thoroughfares which are used by the occupiers?—My point is that light, water, roads, sewage, are absolutely necessities to the community, and that they are provided altogether at present by the taxation of the occupiers. They give increased value to the land, because when the taxes run out any occupier is charged a great deal more. I say this, and I think it is a principle that will be admitted by most impartial men, that the ground landlord ought to contribute something towards that share of the expenditure which increases the value of his holding in the land.

24,937. Would it meet your views if the ground landlord contributed something when he came into that house?—I dreamy; I do not think it would be fair to ask him before he came into the benefits.

24,938. Supposing, for instance, you had a duty on the determination of a localised lease—something akin to what we have in the case of the death duties—would that meet your views?—Yes, something of that kind. It is the only practical and just way that I can see that you can do it, but I want the principle to be determined.

24,939. (Mr. Smith.) I think you are a member of the Dublin Corporation?—No, I am not, the Lord be praised; I am in too many things.

24,940. I beg your pardon, I misunderstood you?—I am on the county council, I am in the urban district council, I am member of Parliament, and that is quite enough, I think. However, I have a pretty good knowledge of the Dublin Corporation.

24,941. Thank you. Have the Dublin Corporation ever considered the desirability of acquiring those public monopolies that you have described?—They have, but they have not the means.

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29 Oct. '92
Diseases of animals controlled by the State. The expenses should be borne by the State.

Ratepayers. Owners of rate values have their property improved by expenditure upon certain purposes. Owners should contribute something when the taxes fall in.

Monopolies. The Dublin Corporation have not purchased the gas, water, and electric light.

Mr. W. Field, M.P.
 24,948. May not they borrow for the purpose?—They have borrowed, and their borrowing powers have been exhausted almost, as far as they possess them, and any expenditure that they would be inclined to go to just at the present time would rather be, I think, in the direction of providing houses for the poor.

24,949. They occasionally promote Bills in Parliament, I know?—Yes.

24,950. They could obtain the powers from Parliament to lay the gas, water, and electric light?—That very much depends upon its boundaries. I do not wish to get into that question, but Dublin is a very small congested city.

24,951. You want first to extend your boundaries?—We want first to extend our boundaries, and then I think these things would come in.

24,952. (Mr. Arthur O'Connor.) I suppose that if there was a re-valuation of Dublin the borrowing powers of Dublin would be very much increased?—Certainly.

24,953. And for that reason alone it would be an advantage to Dublin to have the re-valuation?—Decidedly.

24,954. Have you any suggestion to make as to the cost of the valuation, and how would you distribute it? I will assume that it will pay the localities to have a re-valuation, possibly it might pay the Government also to have a re-valuation?—I think the cost ought to be borne, half by the local authorities and half by the Government.

24,955. Because both would benefit?—I think the Imperial Government and the local authorities would have an almost equal share in the benefits arising from a re-valuation, and therefore I think that they ought to pay half the cost.

24,956. As I understand, you say that all the persons now interested in land, as owners and as occupiers, both directly or indirectly, are charged, but there is no interest in land which escapes, namely, the ownership of ground rents?—So far as I have any knowledge of the subject as an occupier and an owner of land, that is to say, as a leasehold owner, and also as an owner of freehold land, I am not aware that the ground-rent landlord contributes in any way, directly or indirectly, towards taxation of any kind.

24,957. Then, of the owner, the ground-rent owner, and the occupier, only two are at present charged?—Yes.

24,958. You think the ground-rent owner ought also to be charged?—Certainly I do.

24,959. Now with regard to another form of real property, where there are mines or quarries, I understood you to say something with regard to the royalties as occupying unduly?—Yes, I think the royalties ought to be paid on mining or quarrying. Whatever form it might be in, I think the half of it should go to the locality, and the half of it should go to Imperial taxation.

24,960. I am only going very shortly into these matters. With regard to those things which you have described as utilities converted into private monopolies, also, the same, not yet mentioned, of the delivery of letters or parcels from one individual member of the community to another, of course we are aware that that has now been made, not a local or company monopoly, but a State monopoly?—Yes.

24,961. The Post Office is a huge monopoly for the delivery of correspondence?—Yes.

24,962. The profit coming from that State monopoly goes to the community at large?—Yes.

24,963. The local monopolies in the hands of companies, in respect of railways (which is a monopoly of right of way), and in respect of gas and water supply, give the profit not to the community, from which it is drawn, but to the individual shareholders who are in the enjoyment of the monopoly. I do not know whether I expressed you rightly, but I gather your idea is that, not so in the respect of the monopoly of the delivery of correspondence, where the State benefits, so the profit arising from local monopolies of right of way, or supply of gas and water, which are public utilities, ought to be appropriated or at any rate a portion of the profits, for local purposes?—Certainly.

24,964. (Chairman.) Presumptive of who provides the capital?—The capital has to receive a certain amount of dividend—bonnet capital. I do not wish to go into that at any length, but considering the kind of security that

is afforded by these local enterprises, and the way that capital is sometimes squandered abroad, I think a shareholder would be much more safe even if he got a smaller dividend than if he obtained a nominal dividend for a certain time and then lost the whole.

24,965. (Mr. Arthur O'Connor.) I suppose the capitalists do not supply, at any rate, the monopoly?—No.

24,966. And it is in respect of the monopoly that your observations are made, not with regard to the capital?—Certainly.

24,967. The next point is the Rathgar Junction. I think you said that Dublin paid unduly in respect of houses in Rathgar?—Yes, I did.

24,968. Would you explain what you meant?—A large number of these unfortunate people come from outside the city and county of Dublin. I am not prepared to give exact figures, because the matter has come under new management now in the county council, and I am not a representative of Rathgar; but I will find out for you exactly the incidence. I have been talking to the chairman of the county council, and his opinion, and the opinion of a friend of mine who is a member of that committee, is that we in Dublin pay more than our share, considering the number of strangers that come from all parts of the country. I think all the country to a large extent should as far as possible bear an adequate share of the expenditure.

24,969. Are the land and buildings rated?—Yes, I think they are. I am not sure.

24,970. But that is the whole point, is it not, surely, if the institution, including the land and buildings, is rated for the benefit of Dublin?—Is it not a Government institution?

24,971. I do not know, you must not ask me questions?—It comes under that head of Government institutions that we want rated.

24,972. Is it a Government institution?—Yes, of course it is.

24,973. Then it is rated, I understood you to say, merely as a Government institution?—So I understand.

24,974. But you cannot speak positively?—I will not speak positively. I never like to say anything I am not certain of is giving evidence.

24,975. Have you anything to say with regard to industrial schools?—Yes. I am bound to say I do not quite agree with the evidence I heard given here about the industrial schools. I am sorry Sir John Lubbock was not here now, because I think he said language that was entirely too strong when speaking of fraud in connection with these industrial schools. These may have been some abuses, but the way in which I look at it, as a practical man, and as having had something to do with the poor all my lifetime, is this: I say it is the best expenditure we could lay out—that it prevents crime and the increase probably of pauperism, because these industrial schools are undoubtedly—even although the line may have occasionally been crossed with regard to some of the children, misdoings, probably, or their relations, might have been able to support them. It is the best work the Government has done in Ireland, without any exception.

24,976. Have the rates anything to do with industrial schools?—Very little.

24,977. But little or much, you think they are useful institutions?—I think it is the best work the Government has done in Ireland, and that they are now proceeding in a wrong direction.

24,978. I think all these children, however slight their faults may have been, are children who were in danger, or might be considered in danger, of falling into the criminal classes?—Decidedly. I speak as one having authority on this, because I belong to an authority that has had a great deal to do with getting these children in, and I have had some of them committed under my own evidence. I am very strongly of opinion that it is a step in a retrograde direction.

24,979. Have you anything to say with regard to the increase of rates?—The increase of all local rates has simply been allowing everywhere all over Ireland. Among the ratepayers, they complain of city and urban and district councils. You want better roads, you

Re-valuation of Dublin is desirable. The cost should be shared by the Imperial Government and the locality.

Re-valuation. The owner should contribute to local taxation.

Mines. Royalties should contribute to Imperial as well as local taxation.

Monopolies in the hands of companies should be rated.

Mr. W. Field, M.P.
 24,948, 24,949, 24,950, 24,951, 24,952, 24,953, 24,954, 24,955, 24,956, 24,957, 24,958, 24,959, 24,960, 24,961, 24,962, 24,963, 24,964, 24,965, 24,966, 24,967, 24,968, 24,969, 24,970, 24,971, 24,972, 24,973, 24,974, 24,975, 24,976, 24,977, 24,978, 24,979, 24,980, 24,981, 24,982, 24,983, 24,984, 24,985, 24,986, 24,987, 24,988, 24,989, 24,990, 24,991, 24,992, 24,993, 24,994, 24,995, 24,996, 24,997, 24,998, 24,999, 25,000, 25,001, 25,002, 25,003, 25,004, 25,005, 25,006, 25,007, 25,008, 25,009, 25,010, 25,011, 25,012, 25,013, 25,014, 25,015, 25,016, 25,017, 25,018, 25,019, 25,020, 25,021, 25,022, 25,023, 25,024, 25,025, 25,026, 25,027, 25,028, 25,029, 25,030, 25,031, 25,032, 25,033, 25,034, 25,035, 25,036, 25,037, 25,038, 25,039, 25,040, 25,041, 25,042, 25,043, 25,044, 25,045, 25,046, 25,047, 25,048, 25,049, 25,050, 25,051, 25,052, 25,053, 25,054, 25,055, 25,056, 25,057, 25,058, 25,059, 25,060, 25,061, 25,062, 25,063, 25,064, 25,065, 25,066, 25,067, 25,068, 25,069, 25,070, 25,071, 25,072, 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25,948, 25,949, 25,950, 25,951, 25,952, 25,953, 25,954, 25,955, 25,956, 25,957, 25,958, 25,959, 25,960, 25,961, 25,962, 25,963, 25,964, 25,965, 25,966, 25,967, 25,968, 25,969, 25,970, 25,971, 25,972, 25,973, 25,974, 25,975, 25,976, 25,977, 25,978, 25,979, 25,980, 25,981, 25,982, 25,983, 25,984, 25,985, 25,986, 25,987, 25,988, 25,989, 25,990, 25,991, 25,992, 25,993, 25,994, 25,995, 25,996, 25,997, 25,998, 25,999, 26,000, 26,001, 26,002, 26,003, 26,004, 26,005, 26,006, 26,007, 26,008, 26,009, 26,010, 26,011, 26,012, 26,013, 26,014, 26,015, 26,016, 26,017, 26,018, 26,019, 26,020, 26,021, 26,022, 26,023, 26,024, 26,025, 26,026, 26,027, 26,028, 26,029, 26,030, 26,031, 26,032, 26,033, 26,034, 26,035, 26,036, 26,037, 26,038, 26,039, 26,040, 26,041, 26,042, 26,043, 26,044, 26,045, 26,046, 26,047, 26,048, 26,049, 26,050, 26,051, 26,052, 26,053, 26,054, 26,055, 26,056, 26,057, 26,058, 26,059, 26,060, 26,061, 26,062, 26,063, 26,064, 26,065, 26,066, 26,067,

want everything better, and it has to be paid for by money, and the amount of local rates that has to be provided is very difficult to get in absolutely.

24,974. And after the payment of all these rates, I suppose the value of property is considerably enhanced?—Yes, it is of course.

24,975. But those who have paid the rates and enhanced the value of property by that payment remain as they were before?—They remain as they were before, with this difference, that if they happen to have a leasehold property, when the lease is out they have got to pay more rent.

24,976 (Mr. Dalton). As regards these monopoly undertakings that you have been speaking about, railways and gas and water companies, are they not rated in England practically on their profits?—I really could not answer that at all.

24,977. You are clear that they are not rated in Ireland on their receipts?—Not that I am aware of at all.

24,978. Is not the amount of the reserve fund, which each company may establish usually fixed by the Act of Parliament of the company?—As a rule, but then it can be varied you know; they say up to or within a certain amount. Then there are ways of expending the money, they can increase a man's salary, but I think I explained it before.

The witness withdrew.

MR. WILLIAM MAXWELL BARRINGTON called and examined.

24,983 (Chairman). I understand that you are a house and estate agent carrying on business in Dublin, and a justice of the peace of the city of Dublin?—Yes.

24,984. And that you have been for several years a commissioner of the Fennishke townships?—I am not at present, but I was for a number of years.

24,985. You are in consequence of this experience well acquainted with the poor low valuation of the city and country of Dublin, including the adjoining townships?—Yes.

24,986. Your experience, of which you give me instances in the memorandum* which you have prepared for the Commission, leads you to state a confident opinion that the existing valuation is entirely out of date, and requires revision?—There is no question about that whatever, I think.

24,987. As a matter of fact, the existing state of circumstances causes a good deal of discontent?—A great deal of discontent, and dissatisfaction, and bewilderment in many parts.

24,988. Do you think the discontent in such a case to make a general re-valuation possible?—I think it is absolutely necessary.

24,989. Do you think that the acknowledgment of the state of matters being bad is work that it would command general support?—As far as I know it would be admitted by almost everyone in Dublin city and country at any rate, that a valuation is absolutely necessary and proper.

24,990. How do you suggest that that re-valuation should be carried out?—I think in the city and country of Dublin they have a very good staff at the Valuation Office, a very competent staff, who are quite capable of making the valuation there. Throughout the country I have no doubt it might be necessary to get local assistance.

24,991. Do you think that the existing system of what is practically valuation by a Government department should be continued, or should a local authority be entrusted with more initiative in the matter?—I am rather inclined to think that the Government system is a capable and competent one, and a fair system. It does not affect the general public very much whether the valuation is a high one or a low one, as long as it is equal and consistent.

24,992. Quite so, that is probably a just remark; at the same time it affects the individual ratepayer very much whether his valuation is equitable as compared with those who are on each side of him?—Quite so. If his neighbour is very much undervalued, of course that neighbour escapes his proportion of the rates.

24,993. What is the remedy under the present system in the event of an individual owner of a leasehold

24,979. Yes, it was only with regard to the reserve fund I was questioning you?—There are a thousand ways in which you can spend the money. It is the easiest thing in the world to spend money, the difficult thing is to get it to spend.

24,980. As regards these ground rents in Kingstown, I think you said there were intermediate landlords in many cases?—So there were, and those intermediate landlords were frequently worse than the head landlords. They had to be paid heavily for the intermediate terms. I have known of cases myself where people have had to retain the possession of an intermediate term, say, for three, five, or seven years.

24,981. If you were to ride merely the ground rents, the intermediate landlord, who may be making the biggest profit, would escape altogether; he is not at present rated I suppose, is he?—No, of course he is not.

24,982. How would you manage to catch him in a?—You see that is one of the difficulties you have in making legislation, somebody is sure to escape. I am not aware that you can have a perfect scheme, that would exactly catch up everything that you wanted. I do not think such a thing as a perfect Act of Parliament ever was passed yet.

feeling aggrieved?—I do not think that he has any remedy; I am not aware that a ratepayer can interfere in another person's property.

24,984. We will leave out the other person's property for a moment. In regard to his own property, suppose he thinks he is overvalued, what does he do?—He applies for a re-valuation, and generally gets a reduction where it is right and proper that he should.

24,985. As I understand the evidence that was given to me by the town clerk of Belfast yesterday, all these proceedings are conducted in writing, there is no actual hearing of an appeal, unless you get to the length of the High Court?—No. I understand the system in Dublin is that you apply in writing, as I have frequently done myself in various cases, and have heard of others, for a re-valuation, with the object of having it reduced of course, as a rule it is reduced. I understand there is an appeal to the recorder of Dublin, if necessary, but I think it very seldom takes place.

24,986. Supposing such a state of circumstances as this—supposing an individual appeals for a reduction in rent, and the agent of the Government valuation does not give him a reduction, or does not give him a sufficient reduction, what does he do?—I think he could go to the recorder of Dublin in that case, but I have never heard of a case.

24,987. Does he, as a matter of fact, have any meeting with the agent of the Government valuation?—I think not.

24,988. You think not?—I never heard of it.

24,989. Do you think it would not be a good thing?—A large portion of Dublin, particularly on the north side of Dublin, which was formerly a residential property occupied by the better classes, has very much gone down in value, and application has been made to the commissioner of valuation, and I think in almost every case he has made a considerably abatement.

24,990. I do not think I need go more—some of my colleagues say—that that question of valuation, except to point out to you that the information you have just given us is contrary to what appears in paragraph 1 of your memorandum?—The valuation should be made "by or with the assistance of local valuers or assessors" named committees who have a knowledge of the local value, as in England. I understand you to express an opinion in favour of Government valuation?—That applied more to the country. In Dublin I think the Government authorities have local knowledge sufficient.

24,991. You could not expect Dublin to pay the expenses if the Local Authorities did not do it too, could you?—No, the expenses of the re-valuation, I think, ought to be borne by the Government.

24,992. All over the country?—I think so. It is a public department, they have to give certificates of

Mr. W. F. Field,
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His value should be used. Difficulty of fixing all cases.

Mr. W. Maxwell Barrington.

Valuation. The cost of valuation should be borne by the Government.

Mr. W. Marshall
Bathurst
20 Oct. '99

Mr. W. Marshall
Bathurst
20 Oct. '99

valuation and reference, and it would mean a considerable increase in the Imperial taxation.

25,003. Would you put it entirely on the Government?—I think it would be fair that the Government should pay it; they would have a very substantial benefit by the increase in the income tax.

25,004. The Local Authorities have a considerable income too, have they not?—They have no doubt.

Compounding system is not desirable. The occupiers should pay the rates where possible, though it would be difficult in the case of weekly tenements.

25,005. I understand you to condemn, if I read paragraph 10 rightly, the present system of payment of the rates which compounds the amount of the rates and taxes along with that of the rent?—Yes. I think that is a very serious objection. That applies chiefly to townships. In the city of Dublin, as a rule, the rates are paid by the occupiers, although there are a good many exceptions.

25,006. Even by the small occupiers?—No, not by the occupiers of tenement houses.

25,007. Is there no system of compounding in Dublin at all?—There is very largely, but not universally. I should say in cases of rents up to 500. or 600. a year it is very much the custom to compound the rates and include them in the rents; but in the better neighbourhoods and in almost all the business neighbourhoods, the occupiers pay the rates.

25,008. Do you carry your condemnation of that practice as far as to suggest that the practice of compounding should be forbidden?—I think I would make it compulsory on the occupiers to pay the rates.

25,009. Is it possible?—I think so, except in the case of tenement houses; it might be difficult where there were weekly tenants, but I think in all yearly tenements it could be done.

25,010. Even leaving out of consideration tenement houses, which are undoubtedly a great difficulty?—Yes.

Rates in Dublin are struck and collected annually.

25,011. Are rates struck annually in Dublin?—They have been struck manually, but they have now struck, quite recently, under the new Act, a six months' rate.

25,012. In future will rates be collected and struck twice a year in Dublin?—I do not know, but I see a notice is out within the last week for a six months' rate; whether that is to be continued or not I do not know really.

Rate values. Desirable to rate them, but the practical difficulties are considerable.

25,013. You touch also in a very general terms in paragraph 8 of your memorandum upon the question of the rating of ground rents or ground value as you describe them. What is the contention that you wish to put before us under those headings?—Of course that is a very difficult subject. Mr. Field touched upon it to some extent. Ground values are not clearly defined in Dublin at present. There are a great many large estates, such as the estate of Kingstown, that Mr. Field has referred to; those are let out of lease now, and will be altogether out of lease within two or three years. Then the ground landlord comes in, over that enormous area, and puts on a very large increase and charges the new lessees, in fact, a higher ground rent. There it is clearly defined, but in other places, in the city of Dublin, for instance, almost every holding belongs to a different landlord, and some of them belong to two or three, that is, there are two or three middlemen. In those cases, I think, it would be very difficult, unless you assess a ground value upon the ground, and charge that proportionately over the different houses, which would be a very complicated thing.

25,014. What I want to get from you is the precise method in which you would like to levy a contribution upon those who are now enjoying the ground rents?—I confess there is a great difficulty in carrying it out, although I think it is very necessary. If you take the estate of the Dublin Corporation, for instance, they have a great many holdings, just at present falling out of lease. I have one in my mind at present. A bank in Grafton Street is just taking out a new lease, and the ground rent is at the rate of 120 per cent on the frontage, which amounts to something like 4500. or 5000. When it is rebuilt the bank will spend 10,000. upon the house, and it will be rated on double the ground rent, say, 1,0000. a year will be the rating of it. The bank will then be paying rent not only upon their own property, which is the building that they have spent 10,000. upon, but they will be paying taxes upon the rest of 5000. a year that they are paying the corporation, and the corporation, who are the ground

landlords, will be receiving their income without any deduction or abatement for taxes.

25,015. Which, of course, is a matter of bargain?—It is a matter of bargain, of course.

25,016. If you change the presumption, and make the ground landlord, the Dublin Corporation, pay the rates, no doubt to itself, but still if it pays the rates, would it not amount simply to this, that when the bargain comes to be renewed as you indicate, a tenant would pay so much more?—That is quite possible.

25,017. If it had been forbidden to the ground landlord to contract himself out of the rates, he would, would he not, have got a higher rent for the land which he was putting on the market?—I suppose the landlord, in that case, would take into consideration the fact that he would have to pay a certain proportion of the rates, and fix his rent accordingly.

25,018. In other words, the value of the site is what it would fetch?—Yes, no doubt.

25,019. Although you may divide it into rent and into rates?—Yes.

25,020. If the tenant has not to pay the rates he will pay so much more in the name of rent?—That is so.

25,021. If he has to pay the rates it will be a sum so much less; is that not so?—That is so, undoubtedly. But if the idea is to make each person pay his fair proportion of the rating, it occurs to me that the ground landlord ought to pay something.

25,022. Do you think he does not pay now?—He does not pay any proportion of rates upon that rental.

25,023. He is not the hand that hands it over, but do you put it to me that he does not pay anything?—I do not think he does, because when he is letting his ground I think he is getting, and gets, the highest possible rent he can for it.

25,024. On terms that the other man pays the rates?—Yes.

25,025. I think I have elicited your view. I do not want to argue with you, but if I have raised any point would you add it?—I think I have got that idea as fully before you as I can. There are other instances I have, but of course they simply bear out the same idea. I do not know that when people are taking land for rebuilding they consider the question of the rates very much.

25,026. Do you think not?—I think the land has a certain value, and I do not know that it would be varied very much by the question of rates.

25,027. You think not?—I do not think it would.

25,028. If a man goes to take a house, does he not calculate the rates?—I do not think he calculates the rates with regard to the ground.

25,029. Is that your experience as an agent?—I do not think if it were known or arranged that the corporation, or any ground landlord, were in future to pay any proportion of the rates, that it would affect the value of the land very much, if at all.

25,030. You do not think so?—I do not.

25,031. Do you, or do you not, think—do you to the individual who rents a house which has been built—then in the choice of a locality and situation the prospective tenant does not calculate how much he would have to pay in rates?—He does in the question of a house clearly.

25,032. Why should the builder not make the same calculation when he is entering into negotiation with the landlord?—It would be a very much smaller question of course than if a tenant is taking a house.

25,033. Although a smaller question it lasts for a longer period of years?—It does.

25,034. (Mr. Cripps.) Take the illustration you have given upon that ground rent point, so far as the community is concerned, they would be in the same position, I suppose, whether they have got the rate on the 1,0000. a year from the occupier, or on 5000. each from the two?—Yes, it would make no difference to the community, because the rate would simply be distributed between the two persons.

25,035. Surely, so far as the builder is concerned, he would pay, more or less, according to whether he had to pay rates on the whole or not?—I do not think it would enter so much into the calculation.

25,036. Why not? Is the one case you would be paying 1000. and, according to your view in another

Rates are not much taken into consideration by a householder who is merely building land. The consideration of rates would not much affect the value of land.

Builder calculates contribution by a tenant who leases a house.

Rate values. Desirable to rate them.

case, you might have to pay 5200, or 5300, according as to whether the rates were on or off—or even up to 6,000 a year?—Where I think a hardship comes in is in a case of this kind that came before me within the last few weeks. A speculator takes some ground—3 acres of ground, say—in one of the townships adjoining Dublin at a ridiculously low rent of 36s. a year; he then spends a small sum of money in making roads, and the first thing he does is to let a site for 20 houses at 3s. a foot—36s. per house—that is 60s. a year, and he creates for himself a rental of 60s. a year, upon which he pays no rates, because the builder who takes that site from him, and builds houses upon it, will have to pay those rates.

25,037. That merely shows, in a particular instance, that the man you are speaking of made a good bargain? Yes, but I think it would be more equitable if he bore a share of the rates.

25,038. I will not carry that further, as I understand your view. There is one other question I want to put to you. You point out inequalities in your memorandum on regards rating?—Yes.

25,039. I understand you to attribute that to the uniformity of error in valuation made by a large number of boards?—Yes.

25,040. So far as the system of rating is concerned, you have no fault to find with it?—I think it ought to be periodical, I think it ought to be revised.

25,041. I quite agree with that, but assuming that you had periodical valuations, you have no fault to find either with the system, or with the rating authorities?—The present system as carried out by the Valuation Department in this Place is, I think, a thoroughly good system, provided it was periodically revised; but I do not approve of the system which exists at present of increasing the valuation of one particular house because a man happens to put in a new front, or to spend a little money upon it, leaving his neighbours on each side under the old valuation which is ridiculously low.

25,042. I will assume everyone would wish his valuation brought up to date for the purpose of my question; if you had the valuation brought up to date, then, I understand, you are satisfied with the valuation authority and with the method in which they carry out their valuation?—Certainly.

25,043. (Mr. ELLER.) You mentioned that so long as the valuation was equal, it did not very much matter to the ratepayers whether the valuation was on a high basis or on a low basis, but it would matter very much, would it not, to the Imperial authorities?—Yes, it would. The higher the rating is, of course the more the income tax will produce.

25,044. And is not the effect of your evidence this, that the income tax in Dublin is paid on a very low basis indeed?—Yes, undoubtedly.

25,045. That is one of the grounds, as I understand, on which you would urge that a very substantial contribution to the cost of valuation should be made out of the Imperial exchequer?—Yes, because the Imperial exchequer will benefit very largely by a re-valuation.

25,046. Having regard to your experience, you are probably able to form some idea of the cost of re-valuation in Dublin. Do you think it would pay the Imperial exchequer as a matter of business to embark upon this re-valuation, in view of the increased valuation which would be derived from the annual income?—I am of opinion that the annual increase will be very considerable; I could not estimate what the cost would be. I think Mr. Borton has estimated it.

25,047. You think that, with the income tax at 8d. in the £, it would be good business for the Exchequer to undertake the work?—I do so. I think the increase would be almost general; I think there would be an increase in almost every direction. I do not agree with some persons who say there would be a very considerable decrease in some parts of the city and county of Dublin; I think the increase would be general, and in some cases would be very considerable.

25,048. (Mr. Smith.) Is there any reason why the expense of valuation should be borne by the Imperial Government in Ireland and not in England?—No. I would like to see the same system in each country as far as possible.

25,049. You are aware that the valuation at present in England is kept up by the local authorities?—Yes.

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25,050. And that they have not asked for an Imperial valuation?—Yes.

25,051. Just one word about ground rents; if you had a proper valuation the ground rents would be included in the valuation of every hereditament?—Yes, it would be included.

25,052. And to think rents would be rated?—It would be rated, but to be paid, I think, by the wrong person.

25,053. Does it matter to the local authority who pays it?—It would not matter to the local authorities if they get the same income.

25,054. (Mr. Arthur O'Connor.) If the ground rent is rated, but rated in the wrong hands, that rating may have something to do with the equity of the incidence of taxation as between real and personal property, may it not?—Yes, that was my point.

25,055. And that is the point we have to consider. I gather that you say, generally, that the valuation just has no necessary relation whatever to the existing values?—I do not think so. I could give you a great many instances where they are utterly inadequate.

25,056. They are numerous, but that being the case, you are not prepared to say generally that you are satisfied with the existing system, which has resulted in the existing valuations?—I think it is the fault of it not having been re-valued. I think the existing department is quite competent to carry it out.

25,057. But the system is not to re-value?—It has not been carried out.

25,058. And there is no legal power to re-value generally, is there?—I do not think so.

25,059. Then the system as established by law does not enable admitted defects to be remedied?—The defects are there undoubtedly, and they have not been remedied.

25,060. There is no legal remedy in a very large number of cases?—I think there is no legal remedy.

25,061. The system is defective somewhere?—There is a defect of that kind of course.

25,062. You would be in favour of a general immediate or early re-valuation with periodical re-valuation?—Certainly.

25,063. You think that it would pay the locality, and also the Imperial Government to have such a re-valuation carried out?—I think so.

25,064. At any rate it would in Dublin, which you are prepared to speak for most?—It would in the Dublin city and county undoubtedly.

25,065. Do you know anything about the country?—I know a great deal about residential property, but I do not know very much about agricultural property.

25,066. You are not prepared to say that the valuation as it at present exists is any better in the country than it is in Dublin?—So far as my experience goes it is not.

25,067. In country and in town alike, so far as you know, it is unsatisfactory?—It is unsatisfactory and inconsistent.

25,068. And requires revision?—Yes.

25,069. With regard to the ground rents; I suppose you would say, in principle at any rate, each of the parties who share in the land values should contribute to the rates?—Yes, I think property owners ought to. I do not see why one owner should pay the rating for another.

25,070. It has been suggested to you that if rates are included in rent, and if the occupier pays the rates, he pays a lower rent in consequence?—He pays a higher rent.

25,071. Let me finish my question, and suggest to you that if the occupier pays the rates, he, in consequence, pays a lower rent; but that if the owner pays the rates the occupier pays a higher rent?—Yes.

25,072. That has been suggested to you?—Yes.

25,073. You understand that suggestion?—Yes; a higher sum, which is called rent.

25,074. That is to say, in certain cases where the higher sum is paid, a portion of that higher sum is paid by the owner over to the Local Authorities under the name of rates?—Yes.

Mr. W. Maxwell
Bathurst.
—
22 Oct. '99

See notes. If rated the local authorities would get the same income.

Re-valuation in Ireland both in the town and country is necessary. The existing Valuation Department is competent to carry it out.

Rate values. All those who have an interest in rate values should contribute to the rate incidence and pay most of rates.

Mr. W.
Mansell
Bathurst
20 Oct '93

25,075. And such money as the owner gets to pay the rates with is first of all gets through the tenant?—Yes, undoubtedly.

25,076. So that ultimately, whoever pays the rates, the money is furnished in the end by the occupier?—It is, but then any increase of taxation would fall on the owner, because the rent is fixed, and very rarely varied. If the tax is increased the rent is not increased.

25,077. Where the occupier pays the rates?—Where the owner pays the rates. That is one reason why I think the occupiers should pay the rates, because it would give them a direct interest in keeping the rates down, and in looking after their representatives. At present these occupiers in the townships particularly, who do not pay rates, take very little interest in the proceedings of their representatives, and do not attend to the elections, and vote and look after them.

25,078. Have the owners no vote?—Yes, householders have.

25,079. Have owners no vote?—Yes, owners have.

25,080. Owners, as fee simple owners, have votes, and owners of leases have votes?—Yes, the leaseholders have.

25,081. You say, in many cases, in the city and county of Dublin, and in all the townships, the arrangement is to include the rates and taxes in the rent; they therefore fall on the landlord?—Yes, the increase does.

25,082. If that is so, supposing that the landlord should pay them directly, it would not make any difference to him, would it?—That is what he does, practically, at present. The way it works is this:—A house is taken that is supposed to be worth 100*l.* a year, it is calculated that the taxes are under or about 80*l.*; the tenant says, "I want the rent to cover the taxes," and the rent is fixed at 180*l.* Practically, the taxes are paid by the occupier at the house as the tax collector calls at the house for them, but the occupier deducts them from the landlord when paying the rent, and if the taxes are 80*l.* the owner suffers, as he only gets 120*l.* rent, and so on.

25,083. That depends on the length of the lease?—Yes; but no landlord would disturb the tenant or try to increase the rent, nor would a tenant pay it, for the sake of 2*l.* or 3*l.* a year.

25,084. But if, on the other hand, the tenant is careful, and the rates are reduced, the landlord benefits?—He would, but we have not got experience of reducing rates in Dublin at present; it is all the other way.

25,085. There is every prospect of the rates rather increasing than decreasing?—As a matter of fact they increase every year.

25,086. That being so, under the new Local Government Act, all the rates and taxes are thrown upon the occupier, and the landlord escapes from the prospective increase of burden?—Yes, that is so.

25,087. And the occupier undertakes a constantly enlarged responsibility?—Yes.

25,088. (Mr. Dafton.) I think you agree that the question of the taxation of ground rents is a matter which does not affect the community, but merely the owner and the occupier?—It is merely as between the owners and the occupiers.

25,089. And you think that when the ground rent is fixed it is not taken into account; it is considered a matter of such small importance?—I do not think it is taken into account.

25,090. Then it is a matter of very small importance?—If you take this case I gave you in Gravel Street, it becomes a matter of large importance, because there is a rent of 400*l.* a year with taxation of about 9*l.* in the 4*l.* That is where I think the hardship comes in when the lease is paying.

25,091. Do you think the 9*l.* in the 4*l.* would not be taken into account in fixing the rent of 400*l.*?—It depends very much on what portion of the taxes was put upon the ground rent.

25,092. I understand you are speaking of a rent of 400*l.* which has been fixed on the understanding that the ground tenant is not to pay any rates. The rates are 9*l.* in the 4*l.*; do you think that in such a case as that the 9*l.* in the 4*l.* has not been taken into account in fixing the rent?—Ground is very scarce in Dublin, and when a desirable site comes into the market it brings the highest price. I think the ground landlord can therefore afford, if he gets the highest market price, to pay his share of the taxation.

25,093. But you do not think he gets a higher price?—Of course if you carry that farther, if he looked for a still higher price to cover the proportion of taxes he had to pay in the future, he would probably get it.

25,094. Would he get it?—I think he probably would, and then he would put it back on the tenant again.

25,095. It is calculated and taken into account then; if he gets a higher price for his land, when he agrees to pay the rates practically the rates are taken into account in fixing the bargain?—That is with regard to future transactions; yes.

25,096. I am not sure whether you say there is any general demand for a re-valuation in Dublin?—I think there is; that is my experience.

25,097. You know that under the Local Government Act the council can apply for a re-valuation?—Yes, I think the council can.

25,098. Why have they not done so?—I do not know; I have heard reasons.

25,099. Do you think they will?—Under the new Act they are applying for and looking for now—the Boundaries Act—the Dublin corporation have made a re-valuation compulsory.

25,100. Do you think a re-valuation would be unpopular or popular in Dublin?—I think it would be popular. It would necessarily increase the rates, but it might reduce the poundage.

25,101. (Chairman.) That is all, I think, unless there is any point we have missed?—I think that is all.

The witness withdrew.

Adjourned to Tuesday, November 7th next, at 11 o'clock.

Mr. W.
Mansell
Bathurst
20 Oct '93

Five
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How
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ground
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is
fixed
(continued)

Re-valuation
in
Dublin
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The
Council
have
power
to
apply
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a
re-valuation.

SIXTIETH DAY.

Tuesday, 7th November 1899.

At St. Stephen's House, Victoria Embankment, S.W.

PRESENT:

THE RIGHT HON. THE LORD BALFOUR OF BURLEIGH, Chairman.

THE RIGHT HON. THE EARL OF CAWDER.
SIR GEORGE H. MURRAY, K.C.B.
H. E. CLARK, Esq.

T. H. WALCOTT, Esq., C.B.
ARTHUR O'CONNOR, Esq., Q.C., M.P.
R. O. SMITH, Esq.

ANTHONY WILSON FOX, Esq., Secretary.

T. LEWELYN DAVIES, Esq., Assistant Secretary.

MR. PATRICK JOHN O'NEILL called and examined.

25,102. (Chairman.) We understand that you are Chairman of the Dublin County Council, and that there are a few points upon which you would like to make statements to the Commission?—Yes.

25,103. The first of these is as to what you yourself describe as the landlord's contribution to local taxation?—Yes. My view of that question are possibly extreme, but I believe that notwithstanding the change which has taken place with reference to local taxation in consequence of the passing of the Local Government Act of last year, still, it is inevitable that the landlord should contribute nothing towards the rate which was formerly considered county cess.

25,104. When you see the word "landlord" in this context, do you mean the agricultural landlord?—I mean the agricultural landlord in this case. I should like to give your Lordship some of the reasons why I think it is inevitable that this burden should be completely thrown upon the tenant. In my judgment the value of the vested interest in the land must necessarily vary by reason of the facilities that are afforded by Local Authorities for progress to and across from this land. The maintenance and upkeep of the road would be a material element in altering the value of the landlord's interest in this land. As your Lordship is aware, the agricultural grant under Local Government Act of last year reduces the tenant from one-half of the rate on agricultural land which was formerly known as county cess.

25,105. And which is described as the standard rate for the year?—Yes, but no relief whatever is given on buildings, and most of the buildings on the agricultural land in Ireland, owing to the terms under which the lettings have taken place, have been declared by the Land Commissioners, who now fix rates between landlord and tenant in Ireland, to be the property of the landlord. It seems to me an anomaly that these buildings, which have been declared to be solely the property of the landlord, should be exempt from their share of local taxation. Furthermore, I believe that it is inevitable that the landlord should be excluded from all participation in the expenses which are naturally progressive in consequence of the desire for improved road accommodation, and for the improvement in the upkeep of the roads, which must necessarily increase the local burden.

25,106. You are not unaware of the theory, I think, which underlies it, namely, that the position of the agricultural landlord in Ireland is such that under the Act he will have either no control, or such a very slight control of the expenditure to be incurred in future that it is not unfair that the responsibility for that should be laid upon those who have the disposing of it. That, I understand to be, speaking generally, a basis upon which the arrangement was made; what have you to say to that?—Of course, I am quite aware that the landlord has less voice in the distribution of local taxation than he has hitherto enjoyed, but his interest in the land is so great that I really think he should, notwithstanding the fact that he is practically shut out under the present system from representation on the

public boards, be made to bear a certain proportion of the local burden, which must necessarily influence the value of the property in his holding.

25,107. Could you give me the items of expenditure which will be in the power of the voter in the future which will increase the landlord's interest or maintain the landlord's interest in his property?—In the first instance, the maintenance and upkeep of the roads which form the arteries leading to various centres, and any improvement in the condition of the surrounding or existing interests, such as the improvement of water schemes of such like, which would be likely to benefit the occupants of land in the immediate neighbourhood, which may be undertaken by the new local bodies.

25,108. Do not let us let pass any expression which may seem to be ambiguous, please clearly understand that, at the moment, I am not attempting to argue the matter with you?—Of course, not.

25,109. I am endeavouring to elicit your views to aid as is coming to a final conclusion. Will those matters to which you have just referred increase the profit which the landlord will draw from his estate?—In some instances they would, because in fixing rates the Land Commission advert to the fact as to whether there are facilities for approaching the land which render it suitable for certain purposes, especially in an agricultural district such as I happen to live in and represent. Then they have also taken cognisance of the fact that the rest of the land should be valued according to the supply of water which that land produces.

25,110. You will correct me if I am wrong, but, speaking generally, the landlord in Ireland cannot now get any increased rent from his land except by a judgment of the Land Commission?—Quite so, but the Land Commission do take cognisance of the fact to which I direct your Lordship's attention.

25,111. Do you not think they will also take cognisance of the fact, if the future proves you to be correct, that the expenditure upon these matters is made by the tenant; do you think there is a risk that the Land Commission will ignore that and will hand over the increased profit to the landlord?—The feeling exists in Ireland with regard to it is that, that the tenants have no guarantee whatever that the Land Commission will follow the line laid down by your Lordship now, which would seem to be an equitable one, the tenants naturally think that if the landlord's interest was subjected to a share in the taxation, which would bring about these improvements, they would be safeguarded against the possibility of wrong by the Land Commissioners when again fixing a rent.

25,112. I have elicited your view upon that matter, is there any other point with regard to the landlord's contribution to local taxation upon which you would like to speak to the Commission?—There is another point that I should like to direct your Lordship's attention to. The custom in Ireland hitherto has been that the roads have been paid for and included in the management of the tenants' holdings. I believe it is a still further element of wrong towards the tenant

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to compel him to pay for the land over which the roads go, and also to compel him to pay for the expense of maintenance and up-keeping of this while the landowner contributes nothing whatever.

25,113. I will not ask you, a question upon that for this reason, that I think that particular matter as to the measurement of properties, goes rather beyond the Terms of our Reference although I see that some other witnesses are to urge the passing on of an amended survey with corrected boundaries. If that was done under proper authority, do you think that would go any length to meet the objection which you have just put forward?—No doubt it would.

25,114. The next point upon which you want to speak is, I think, the "portable re-valuation of towns where local expenditure has increased letting value" P.—Yes. I think that wherever it can be shown that the expenditure of the local rates has increased the letting value of property in towns, say, by improved sanitation, by an improved water supply, or such like, that it should be in the power of the local body to apply for a re-valuation of the buildings, situate within that area which has been improved by the expenditure of the local rates.

25,115. Is that not within their power at the present time?—I should say not.

25,116. Is Belfast not doing it at this moment?—I am speaking now not of county boroughs but of small towns that would be situate in a rural district.

25,117. I do not for a moment want to controvert your view about that matter. I think, personally, speaking entirely for myself, that valuations ought to be kept up to date; I agree with that, and I do not think you will find much difference of opinion about it here. But I understand you to draw a distinction between an urban district and the country in that matter; do you?—Yes, I do.

25,118. Would you advocate a re-valuation from time to time, and so keep the valuation up to date in an urban district but not in a country district; is that your view?—Yes, wherever it could be shown by the Local Authority having jurisdiction over a particular place that they had made a considerable expenditure which must necessarily have improved the letting value of the houses and the property in a particular area.

25,119. Do you confine your suggestion to places where the Local Authority can show that their expenditure has increased the value of property?—Yes, I take it that that would strengthen my view.

25,120. I will come back to that in a moment. Do you think that wherever money is spent, by whomsoever it is spent in, we will say, additional building in a place, or other things, that there ought to be a periodical re-valuation, so that all classes of hereditaments are fairly assessed according to their value?—Yes, on the general principle, I think, of course, that could hardly be controverted; but I should like to point out also, that the difficulties by which Local Authorities have been surrounded have been increased by the passage of the Local Government Act, and for this reason: Wherever there was a suggestion, or wherever it was thought desirable, that increased expenditure should be incurred by a local body, (which was formerly the board of guardians and is now the District Council), having jurisdiction over the administration of the Public Health Act; or wherever improved sanitation was undertaken by these local bodies; or wherever a new water supply was created, or an improved one carried out by them—it was possible for them to restrict the area of charges to the district which would be benefited by this improvement. Under the Local Government Act, it has been held that the Rural Districts be now the smallest area of charge upon which a Local Authority can fix a special rate; consequently, adjoining districts are charged to bear a burden which hitherto they would not have been subjected to.

25,121. You will not be surprised by my saying frankly that that is a highly technical point, which you will not expect me to ask questions upon at the moment. I thought one of your answers was going in another direction, namely, that it was an endeavour to add out a new source of income for the Local Authority?—My desire would be that the Local Authority should have power, wherever they have reason to think it would be desirable, to levy out improvements such

as I have suggested with regard to sanitation, water, and public health. In my view, it would be more equitable that the area of charge should be restricted, and that wherever the benefit would accrue that that process district should bear the burden of it.

25,122. Is there no machinery, under your Local Government Act, for example, to make special water districts?—It seems a debatable question just at the present time. A question was raised in the north of Ireland with regard to such a scheme as I have indicated being carried out. The authorities at the Custom House were communicated with, and the Chief Secretary for Ireland, I believe, expressed the opinion that it was the intention of the Government to introduce an amendment with regard to that, to enable local bodies to fix more restricted areas of charge than the rural district. But that does not seem to be clearly defined, either by the Local Government Board, or by the Local Government Act.

25,123. If you have anything more to say upon that particular point I will be glad to hear it, and I would be far from saying that it is not well worth consideration; but it is not precisely the point which seemed to be indicated in your heading: "Periodic re-valuation of towns where local expenditure has increased letting value" P.—I should like to say also with regard to that, that the local bodies are likely to be considerably hampered by the absence of the power which is withheld from them to make local areas which will benefit by the expenditure of public money directly responsible for it, and for this reason, that residents living at considerable distances from these towns, who can by no possibility derive any benefit from the expenditure of money, would be very chary about becoming responsible for an expenditure which could not in any way benefit their district, or those whom they represent.

25,124. I think that extremely probable. I have known similar cases in the country with which I am connected, where we have had for some years a scheme of local government. The way in which that is got over in Scotland is, that if you want to have a special water supply to a district, or a special district drained, or if you want a special district lighted or unsewered, you first, under a procedure which is well-known to the law, a district which is noted for any one of those purposes, and over which the benefits of each one of these processes is distributed P.—I have a distinct recollection of a case that arose within my own knowledge, within the past couple of months, where it was proposed to make a dispensary district an area of charge to procure an improved water supply for a certain district. The Local Government Board of Dublin refused to sanction the recommendation of the rural district council with regard to it, and said that they could only make a district charge. I apprehend that this will considerably paralyze the local bodies in carrying out many necessary and desirable improvements, because they are unable to levy the cost of them on the people who will immediately benefit by them.

25,125. You would accept the proposition, that if there is to be a water supply brought into a district, that district which receives the water supply, and only that district should be assessed to it?—Yes.

25,126. That is your view?—That is my view.

25,127. Is there anything else under that heading that you want to speak about?—I do not think there is anything further that I desire to mention to the Commission upon that.

25,128. Then we will take the next one; you desire to say something about the exclusion of buildings devoted to charitable purposes from taxation?—Yes. I consider that it is inequitable, wherever an institution of any philanthropic character is situate, that provision for the accommodation of patients or inmates outside the taxable area in which it itself is located, that it should be excluded from public taxation, because the presence of that institution in any district must necessarily increase the local expenditure, which local expenditure is met with and paid for, not by the district out of which those patients come, but from the taxable area in which it is located. I should like to point out to your Lordship a notable case in point, which, I think, will strongly support my view with regard to it. The Richmond District Lunatic Asylum has now been practically transferred, or is in progress of transfer, from Dublin to a district about 10 miles north of Dublin, and an expenditure of very nearly 300,000, has

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Expenditure—Charitable and public (these institutions should not be assessed) payable out of local rates unless excluded entirely by the consent of the tenants

been entered into by the governors of this institution. Now it has brought an enormous burden on the local rates in the district which they have happened to select for its erection; and in support of that view I may say that the expense of the upkeep of a short distance of railway, which leads from the railway station to this particular place where the asylum has been built, has been quadrupled since the commencement of the erection of the building. In my view it is manifestly unfair to cast the entire of this burden on the district simply because it happens to have afforded facilities for the proper equipment of a lunatic asylum which serves not alone the county of Dublin, but also the borough and city of Dublin and the counties of Wicklow and Louth, and the town of Drogheda.

25,129. Speaking for myself I am not disposed to disagree with the view which you have expressed; perhaps you could tell me, on what custom or statutory provision this exemption rests at the present time?—The question of the extension of this building was tried in the courts in Dublin by the Grand Jury who sought to assess rates on these buildings. The question was taken to the Court of Queen's Bench in Dublin, and the Court of Queen's Bench refused to hold that the governors were liable; but one of the members of the court expressed the opinion that in his view it would be desirable that it should come under the head of Government buildings for which a grant is made in aid of the rates.

25,130. Could you give us, either now or hereafter, a reference to the case?—I have not got it by me at the present time, but if your Lordship desires, I should be very pleased to get a copy of the judgment in the case and forward it to your Lordship.

25,131. We should be very much obliged if you would do that?—No doubt I would be able to do that for your Lordship. I desire to point out that also with reference to the industrial schools. There happens to be a very large one located within easy reach of the city of Dublin, the boys from that school do not come from the county of Dublin, except in a very minor degree; they are most of them sent in by the Corporation of the City of Dublin. I think it is inequitable that the city should not bear a portion of the burden of the county rate.

25,132. Do I take it from you as Chairman of the Dublin County Council, that all charitable institutions in Ireland are exempt from rates?—Yes, they are exempt from rates.

25,133. What is the definition of a charitable institution which is so exempt, what is the test which you apply when a building claims to be exempt?—The industrial school test is one; and all the institutions that are promoted for philanthropic purposes, such as asylums.

25,134. Is there any statute bearing upon it?—I cannot refer your Lordship to the statute under which the exemption is obtained; it is only the practice that I follow.

25,135. I will not take you further upon that, we will find it out for ourselves in other ways?—My view is that wherever it could be shown that an institution for a philanthropic purpose is devoted to residents of the taxable area only in which it is situate, then there might be a claim for exemption, but wherever it is shown that districts outside the taxable area in which it is situate accept patients or people to this institution, then it should be made to bear a share of the local burden.

25,136. Do you extend your objection to the exemption of buildings to those buildings which are used for a purely religious purpose, such as churches and chapels?—I would not be in favour of including them.

25,137. You would not rate them?—I would not.

25,138. You would exempt all places of worship of any denomination?—Of any denomination.

25,139. Then you want to say something about the exemption of telephone exchanges?—Yes, the telephone exchanges within the public roads, and I think that they ought to be made to bear a portion of the local burden because they are used for a private and local purpose for the amusement of some certain section of the public.

25,140. Is their plant not valued and rated now?—In some instances it is. I understand since I put down this heading that they do bear some share, whether

it is a full taxation of their plant or not I am not just in a position to say.

25,141. You do not carry it further than as a principle they ought to be rated upon a fair measure of their value as compared with other hereditaments?—Yes.

25,142. (Mr. Clave) I understood you to say that the landlord in Ireland does not now bear his fair share in the improvements carried out by the municipality?—By the local authority, yes.

25,143. I think you referred to the question of land being improved by roads, sewers, and such like?—I did.

25,144. Does not the rate obtain in Ireland that the landlord has to make all the roads and sewers for developing his property for building purposes himself?—It does not.

25,145. What bears the cost?—It is borne by the Local Authorities—historically by the Grand Jurors who levied the rate as a county rate, and this burden will now be imposed on the Rural District Councils.

25,146. Supposing that a man for instance had, just for the sake of illustration, 500 yards frontage to a main road, with sufficient land running back from the road to allow him to make, say, three streets of new houses. Would not those roads and the sewers be laid out by the landlord or by the purchaser from him, and not by the local authority?—The private communication with the main sewers would no doubt be laid out by the property owner; but my view is that the property owner should contribute to the man which will carry away the sewage matter from these particular houses of which I speak.

25,147. That is not exactly the point I wanted to get at. In England if a man wants to develop a piece of land for building purposes, either he or the purchaser from him, or whoever it may be is going to build the houses, will have to lay out the streets and sewers them and put in the necessary lamps for lighting at his own cost?—That custom does not obtain in Ireland.

25,148. Do you mean to say that the local authority would themselves go to the expense of making a street merely for the purpose of developing the man's land for building purposes?—In the first instance, the rough formation of the street would devolve on the property owner. Now, with regard to the lighting, which is a question you have introduced, there is a proposition at a certain town in the rural district—and I happen to be chairman of that Rural District Council—that the lighting of that town should be borne of the public expense.

25,149. Leave the lighting out of the question for the moment. Does not the man who wishes to put up houses on his land bear the cost of making any new street that may be required in order to give access to those houses?—He bears the initial cost at the beginning.

25,150. Does not the Local Authority refuse to adopt that new street as a public thoroughfare until it has been put into a thorough state of repair by the owner?—They have that right.

25,151. If the owner bears the whole cost of making the street and sewerage it, and putting up the lamp-posts, what harm has been done to the Local Authority by that action?—I do not confess that any harm has been done, but my contention is that—that a share of the general cost of providing the outfall for the drainage from these houses should be contributed by the property owner as well as the expense which he incurs with regard to making the connections from his private property thereto.

25,152. Very well, we will go into that. Until he makes the connection between the main sewer and his private sewers, and until the houses which these sewers drain are occupied, the owner does not use the main sewers at all?—He does not, of course.

25,153. And his property gets an immediate benefit from that main sewage system?—It does not.

25,154. As soon as the houses are erected we will assume that they become occupied, and then the drainage from the houses goes into the main sewers?—Yes, and the initial—

25,155. Wait—pardon me—is not that so?—That is so.

Mr. P.
John
O'Neill.
7 Nov. '93

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Mr. F.
John
O'Neill.
7 Nov. 1899

25,154. The occupiers of these houses will pay their fair contribution to the rates that are raised for the purpose of the main sewerage system, will they not?—Of course the houses will bear that, but in the first instance—

25,155. Would you mind just telling me whether the occupiers of these houses will contribute their fair proportion of the money spent on the main sewerage system or not as soon as they see it?—It depends on how the main sewerage system has been carried out. If an initial expense of a very considerable amount has been incurred—say 10 or 15 years before these houses come to be erected—and if that money has been borrowed for a limited period, and the interest has got to be paid by the local authority during the period of that period, which has lapsed previously to the erection of these houses, in my view the owner of that land would not contribute a fair proportion of the initial cost.

25,156. Let us understand: You have this year levied, for the sake of argument, 10,000*l.* for the main sewerage system, which is contributed by the ratepayers of the district; you increase the number of ratepayers by erecting 50 new houses, which become occupied; the occupiers of these houses immediately become liable to contribute their fair proportion of the 10,000*l.*—Yes, provided that no portion of the expenditure has been paid off by the local rates previous to their becoming liable for rates.

25,156. I can see your point, but if you are going into back history I do not quite see where you are going to stop. These occupiers contribute to the general expenditure on the sewerage system immediately they use it?—Precisely.

25,156. It is not fair to make them contribute before they use it, is it?—Not the occupiers, I would not be in favour of that. It is a question of the taxing of ground rents.

25,157. Will you agree with this: that if you are going to lay a house knowing that it is added with certain burdens which you will have to bear if you occupy it, you would pay a less price for it, would you not, than if there were no burdens at all on it?—Yes.

25,158. Therefore, if a landowner is to sell a house subject to a burden, or subject to the condition that the occupier, whoever he may be, will have to pay the rates to the general sewerage system, has not the landowner practically in the purchase money accepted a certain sum for the liability to these rates?—He would seem to have been taxed in some way.

25,159. Is it not so?—It is so.

25,160. If he has accepted a less price because the occupier is going to pay the rates, why should the occupier turn round upon the landlord after having made that bargain and say: now, although we have undertaken to free you from all the liability, we, as the taxing authority, will now tax you for the sake of relieving ourselves?—The landlord no doubt may have accepted a contracted sum for this, but there is no guarantee that the sum which the landlord has received was then he would be otherwise entitled to, has passed to the local authority for their benefit to meet the expenditure that has been incurred.

25,161. I put it to you again—you buy from me a piece of land subject to the condition that you pay 10*l.* a year, you pay me a less price because you have undertaken to pay that 10*l.* a year. After having acquired my property and entered into that bargain, you, as the voting Authority and the spending Authority, desire Parliament to relieve you of the burden of paying that 10*l.* a year, and put it back again on the landlord, do you think that fair?—Not the entire of the 10*l.* a year, certainly.

25,162. Is it fair to do it to the extent of 1*l.* a year?—It would depend on the amount of the expenditure, and on the proportion.

25,163. Pardon me, just take my illustration: is it fair, in your opinion, to do it to the extent of even 1*l.* a year?—I would not expect it would be fair to compel the landlord to pay even 1*l.* a year under those circumstances.

25,164. (Mr. Smith.) I think I gathered that previous to the passing of the Local Government Act there was power to make what you call ratepayers areas for the purpose of a special rate?—There was.

25,165. Did you find that work well?—Yes, I think it was a fairly equitable arrangement; and, further-

more, that it led to the development of central districts, and to the carrying out of certain very desirable improvements, simply because the people of the district had made up their minds that it was necessary that these should be carried out, and they were prepared to bear the burden of it.

25,170. Was there any elasticity in such districts? Were they easily capable of extension in case it was necessary?—It was strictly within the power of the Local Authority to fix the area of the charge.

25,171. It is almost impossible, is it not, as you know from your experience, to fix the area that shall be benefited by a given expenditure; people will build just outside and get the benefit, and many people still within the area do not get the benefit?—I do believe that it is extremely difficult to define a local area in which it is impossible that no injustice shall be done to anybody, and I think that there are some difficulties, no doubt, which have from time to time presented themselves, but my view is that, that I would choose the lesser of two evils, because if the larger area is burdened with the cost, my belief is that the opposition to the carrying out of these schemes will be so great as to retard, if not altogether to put them off.

25,172. But it has another operation, has it not, if a large district is subject to a common charge for these purposes, each portion of that district in turn gets the benefit of an improvement, because they will not submit to be taxed for the benefit of one particular portion of their district without having corresponding advantages for themselves?—True enough, I follow you so far, but some districts would be taxed for the improvement of certain localities within the entire district where it could never in the ordinary course of things be necessary to make the same expenditure or any corresponding expenditure that had been carried out in the scheme.

25,173. Otherwise you admit that, omitting a case of this kind, it is a certain stimulus to carry out sanitary works, spreading it over a large area?—I could scarcely say in my view it is a stimulus to it, because people naturally enough object to pay for the improvement of a district which cannot possibly be of any advantage to themselves.

25,174. In other words, you think that the area of the Rural District Council is too large for such a purpose?—I do. I am afraid it will retard the carrying out of the work by reason of the opposition which is likely to be offered by outlying districts which could not possibly benefit.

25,175. But you can see, I think, that there is another side of the question?—Unquestionably. I should like to give a case in point, and one that is likely to arise within the district in which I myself have an interest at the present time. There is a small seaside village, I cannot call it by my better name, known as Malahide, which has a very indifferent water supply at the present time. The inhabitants of that place have been for several years agitating for the local body to procure an improved supply of water for them. Now the Rural District Council are most anxious to gratify the desire of the inhabitants of this place, but there are other districts within the rural district which are separated by 12 or 13 miles from this town or village of Malahide, which under the existing state of things will become responsible for some of the expenditure in this particular place, and by no possibility can they derive any benefit whatever from the expenditure of their money in this particular place. What I apprehend is this, that the representatives of those districts will so tenaciously oppose the carrying out of this scheme that the local authority may have considerable difficulty in doing what they believe to be right for the people of Malahide.

25,176. I think I understand you; of course, if, in the case of Malahide, the expenditure was immensely successful and the place became very prosperous, the rates of Malahide would go a long way towards paying the rates of the local district?—Unquestionably it would, but at the same time it is extremely difficult to get people to take things on trust, and to pay on the possibility of its being reaped at some future date.

25,177. You state at least that you think the area of charge is too large, and that you should have power to form special districts?—I think it should be within the power of the Rural District Council to make them special with regard to certain circumscribed areas of charge which, in their judgment, would meet the justice of the various claims.

Mr. F.
John
O'Neill.
7 Nov. 1899

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25,178. I gather, with regard to the exclusion from taxation of buildings devoted to charitable purposes, that you go the whole length of saying that you would abolish all exemptions except for places of worship?—
 25,179. For places of worship and for charitable or philanthropic institutions which would be exclusively for the benefit of the taxable area whereas they themselves would be local.

25,179. Is there any object in that? Is it not more satisfactory?—I do not think it would be a sentimental view, no doubt, but I would make them all liable. I would, however, make it possible that any institution which could show, to the satisfaction of the Local Authority, that no person living outside the taxable area in which they were located derived any benefit from them should have a claim for exemption.

25,180. In the case of such purely local institutions, is it almost as broad as it is long, is it not? If the people in the locality have to pay a tax, they have to subscribe a little more; if the institutions do not pay the tax, the people have to pay a little more in rates?—
 25,181. Precisely, that is the view I take of it, and, of course, with reference to the industrial schools and to the

asylums, the reason why I object to the present system is because the obligation to be paid on the houses of these institutions by taxable areas outside the locality in which they are situated is not as great as it otherwise would be if those institutions were local.

25,181. (Mr. Glave.) Do I understand that in Ireland, if a property increased in value the rateable valuation of that property is not increased as well?—It is not increased unless application is made, and, so far as I know, the Local Authority has no power to demand the re-valuation of any particular property. Of course, the valuation office have no power to go round the country only for the purpose of making an inspection of whether buildings may have been erected within the area, and they become liable the year after, but there is no general scheme.

25,182. Supposing that a shop increased in value from 200*l.* to 300*l.* a year, would not the valuation be at once altered by the inspectors?—I should say not.

25,183. (Chairman.) Is there anything else you would like to say?—I think there is nothing else that occurs to me at the present time.

The witness withdrew.

Mr. HUGH DE FALKENBERG MORRISON called and examined.

25,184. (Chairman.) I understand you are Vice-Chairman of the Tyrone County Council?—Yes.

25,185. Are you a magistrate, and do you hold any other offices?—I am also a magistrate and a District Councillor, Deputy Lieutenant, and the usual other things.

25,186. You have been good enough to prepare this memorandum* which I hold in my hand?—Yes. I should like to say that I got it in under pressure of some other business, and there are one or two things in it that I should like to modify. I have not changed my opinion materially, but still, if it is your intention to print it as an appendix, I should be much obliged if you would allow me to further revise it a little.

25,187. With reference to that, I would say this at once, that any grammatical or printers' mistake—anything which does not change the sense of your memorandum—shall be altered at your discretion, but if you wish to make any addition to it, I shall be obliged if you will do it over the table here, so that we can put any questions we may wish upon it?—Certainly. Then perhaps you might also allow me to put in some little supplementary statement afterwards. Of course, I am entirely in your hands, and I will point out what the modifications are.

25,188. You may send in anything you like to say, and I will lay it before the Commission, and we will exercise our discretion as to whether it shall be reproduced or not. I shall not take you over every point which is in this memorandum, but shall leave it to my colleagues to put any questions which they choose, because there is no one having it both in an appendix, and in your evidence—you understand that?—Yes, quite so.

25,189. With regard to the first paragraph, may I ask whether the expression "seasonal valuation" is intended to mean Griffith's Valuation?—Yes.

25,190. Tenement Valuation and Griffith's Valuation are the same thing?—Yes. I think "tenement" is the technical name for it, but I think you have been in the habit of calling it Griffith's Valuation here.

25,191. I understand that the main objection you have to a re-valuation is to the re-valuation of agricultural subjects and does not extend to a re-valuation of urban or city subjects?—Certainly. I will go further than that. I think the re-valuation of houses also in the country ought to be more thorough and complete than it is. It is merely the valuation of land that I deal with. Might I point out that in my paragraph 2, I there allude to the relative values of grass and tillage lands. I am told by men having larger experience and knowledge in districts where grass lands and small tillage holdings exist side by side, that the change in value has not produced the inequality in valuation that is often assumed. This arises, I understand, from the fact that Griffith's instructions included a checking of the valuation based on the rate of prices by the current local rents that they found in existence. This has resulted, no doubt,

in the local rents very largely influencing the valuations.

25,192. But we are on the question of valuation, and you are going a little wide of that just now, I think?—If you will pardon me, I merely wanted to correct the initial statement that I had made with regard to the valuation. I have admitted rather too much with regard to the inequality in that second paragraph, sub-paragraph (2), and I wanted just to correct that, if you would allow me. At the time when the valuation was made the grass lands were largely let at competition rents, and the tillage holdings on the large estates, the rent on which guided the valuers more or less, were not let at competition rents; therefore, under the influence of this instruction to be guided to a certain extent by rents, the difference between the valuation of grass lands and tillage lands has not had the effect that at first sight one is inclined to think it ought to have had.

25,193. I want to get you back to the question of the valuation. I understood, from the earlier part of your answer, that you do think the valuation of buildings, wherever situated, should be kept up to date?—Certainly.

25,194. Under what authority should that be done, in your opinion, in Ireland?—Under the authority of the Valuation Office, with an improved staff and increased powers.

25,195. How would you distinguish between a valuation of buildings and a complete valuation of the whole subject, the buildings and land together? I understand your objection to be, and we will come to that in a few moments, that the difficulties in the way of a re-valuation of the agricultural part of the holdings are too great?—Yes.

25,196. But on agricultural holdings containing buildings as well as land, does it not?—Generally, not always, of course.

25,197. Would your admission of the re-valuation of buildings not involve the re-valuation of the subject as a whole?—No, it does not strike me as necessary. With regard to the ordinary rural buildings, I think the inconvenience now arises from the fact that there is no change in valuation except where there is a structural alteration—a building may become more valuable in the country as it may in the town on the other hand, it may deteriorate through wear and tear, but until the house is actually down, I understand that there is no power to alter the valuation of it.

25,198. Do you contemplate a system under which Griffith's Valuation should stand as regards the rating of the lands, but as regards the rating of the buildings that there should be a new valuation from time to time?—I had not gone quite so far as that. I do not know whether a complete new valuation of the buildings in the country is universally necessary, but I think the Valuation Office should have power to go into any district and into any town too—I do not wish to touch the towns, as that is outside my experience—but I think that they should have power to go in and re-

Mr. P. J. de Falkenberg Morrison.

1 Nov. 1919

Resolution. No general provision for re-valuations.

Mr. H. de Falkenberg Morrison.

—that is, Ireland—"consider that they are subject to the same grievance as the owners and occupiers of land in other countries, and to a greater extent than in many, &c., that they are on the whole more heavily taxed in proportion to their ability to pay," and to the advantages they enjoy, than other classes." Could you specify the rates to which you refer?—I think generally that the support of the poor is now put on what is on the whole the poorest class, the agricultural class, and I think the up-keep of the roads falls on that class. There are other classes that benefit by the roads that do not pay their share.

25,214. Take the roads: what is the exact position of matters? Is there any Imperial contribution to the roads in Ireland?—Of course the agricultural grant under the Act of last year is spread over most of these things, both the roads and the poor.

25,217. And pays half, I think?—As a matter of fact, it does not pay half of them. I have been trying to get some accurate information for you, but I am sorry to say I have not at present been able to ascertain how much of the failure to pay half, or anything like half, is due to temporary causes and how much to permanent causes.

25,218. It does pay half of the standard rate?—It pays half of the standard rate as estimated.

25,219. When you use the words "as estimated," do you mean that the standard rate as estimated is less than the standard rate?—I am not prepared to say. The standard rate seems to have been got out from returns in the localities very carefully prepared, and I should be very sorry to say that it is otherwise than right, but as a matter of fact the taxation that we have been obliged to inflict upon the occupiers this year shows a very small amount of relief.

25,220. For the roads?—The thing is now consolidated under what is called the poor rate; that covers all these general charges.

25,221. But before you can consolidate it to collect it, you know what each different item is, do you not?—We do.

25,222. Just let us take one. Do you put to me—because I will take your answer—that the amount to be raised upon the roads, keeping them separate, is greater than was inflicted in the standard rate?—As it affects the taxation of the occupier, it is.

25,223. Are the roads not included in the standard rate at all?—I understand that we are now on the agricultural grant, and the agricultural grant does affect all these charges.

25,224. What we were on at the moment and how it arose, was this: You put to me that the agricultural grant did not pay what it was expected to pay, namely, the half of the standard rate, and you cited to me the roads?—I think there is some misunderstanding, because clearly the agricultural grant is given in respect of county-at-large charges, district charges and union charges; the county-at-large charges are partly roads and bridges, partly salaries, asylums, and so forth; the district charges are partly roads and partly public sanitary matters, and the union charges are the maintenance of the poor. I rather think I have the certificates here in a book of the agricultural grant showing how much of the agricultural grant was given under each of these heads.

25,225. Perhaps I can get it in another way: If you look at paragraph 53 of your memorandum, you will see that you specify there that the element "have not incurred any extra expense, but extra expense has been put on them by the provisions of the Act of Parliament and various Orders of the Privy Council and Local Government Board under it, for which the local government officers—the rate-payers—are not responsible, and it is a grievance that they should be denied relief out of an agreement that they are in respect of them." Now, I put to you this question: Are there any other matters than those which you have mentioned in that paragraph of which the Government contribution fails to pay the half?—Yes.

25,226. What are they?—The Government contribution fails to pay the half of consolidated charges, such as the railway guarantees, and so forth.

25,227. Do not go into that for the moment, that is another paragraph and I know that?—I beg your

pardon. The new system is more expensive than the old.

25,228. In what respect? You specify some here—"The provisions of the Act of Parliament and various Orders of the Privy Council and Local Government Board"; could you make that more distinct to begin with?—First of all, under the Act of Parliament the elections have to be paid for out of the rates which is a new expense altogether. In consequence of quarterly meetings being substituted for the old half-yearly meetings, all the staffs, the secretary's staff, and the county surveyor's staff, and all the administrative expenses, are increased.

25,229. Why should the Government pay any share of those charges?—Because they have put them on the rates without the fault of the ratepayers or their representatives.

25,230. But are they not a necessary incident of local government?—That may be; but what I understood the ratepayer in Ireland to be told was, that he was going to get relief to the extent of half the county cess and half the poor rate on land—half the poor rate to go to the landlord, roughly speaking, and half the county cess to the tenant. At the present moment, having made the best estimates we can in the counties, or that our officials can, we find that in this current year the tenant is getting hardly any relief.

25,231. What do you mean by "hardly any relief"?—I have calculated what an average tenant in my neighbourhood pays now, and what he paid in the standard year according to the certificate which I believe is correct.

25,232. That is not quite the point here. I am not contending for a moment that these things, which you specify in paragraph 53 of your memorandum, are not causing extra expense, but what I want to understand is whether your complaint is that extra expense is caused by the Act, or that the agricultural grant given by Parliament has failed to pay the half of the charges which it was calculated to pay?—I do not wish to say that there is anything wrong in the certificate or in the calculation of the agricultural grant founded on the rates actually paid in the standard year; but owing to a combination of circumstances the occupier is not getting the relief that he was led to expect.

25,233. That is rather a vague term, I am afraid, because what he was led to expect leads, of course, to the question what was the expectation he was led to have?—He was led to expect that he would be relieved of half his rates so far as they represented county cess county charges, and district charges.

25,234. As they then existed?—As they then existed.

25,235. Has that not been fulfilled?—Technically, it is no doubt, but the expense which is the result of the Act of Parliament and the Orders in Council, and of the Local Government Board under it, has so far increased that the occupier has not got that relief.

25,236. Can you give me, as far as your county is concerned, figures to show what extra expense has been put upon the ratepayers, by the provisions of the Act of Parliament, and various Orders of the Privy Council and Local Government Board under it?—I have been trying to get those figures, and I am sorry to say that I have not got them yet in a shape that I should like to put before you. I am not sufficiently satisfied of their correctness. If you would allow me to try and go a little further into that and send you a supplementary memorandum on it, I should be very glad to give you any information I could. I have tried my best to get it into shape, but I do not like to put anything before you that I am not quite sure I could stand to.

25,237. We should be very much obliged to you if you would do that. Clearly understood that in putting questions to you I am not finding fault with you, I am endeavouring to get at the truth?—Quite so. The Act has been so very difficult to carry out, that our officials, who are very able officials, are a good deal puzzled.

25,238. I am not the least surprised to hear that the great changes brought in have given a great deal of trouble, and it is to a certain extent unfortunate both to the Local Authorities and to the central Government too, that our inquiry should happen to come at the very moment that it does. You mentioned a

Mr. R. J. Fellsbury
Mountgomery.
7 Nov. 1909

Lights railways, guarantee, bylaws, criticised and discussed.

Mr. H. de
Folensberg
Hend-
gomery.
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moment ago, and they are referred to in your memorandum, certain excluded charges. I stopped you at the moment, because I thought they were not guarantees to the actual point under consideration; but I should like to know precisely what your complaint about them is; I refer to those under section 37 of the Act?—The most important of them are the Guaranteed Light Railways. This is a heavy charge on several districts; in my own district this is a charge of 10d. in the £. The view taken that now-a-days the railways are as necessary a means of communication as roads and bridges, that it was only by means of these guarantees that these necessary communications could be got, and that therefore they should receive the same sort of relief as the charges for roads and bridges do.

25,239. Would it be true to say that in regard to all these undertakings the Government have already given some contribution?—Yes, but they gave a contribution in such a shape as to cause a great waste of public money and to put the ratepayers under a very much larger burden than they need have been put under. The Treasury proposed to guarantee 2 per cent. or half the necessary payments up to 2 per cent. on the capital raised, but they made this 2 per cent. entirely contingent on the payment by counties. The counties had to pay the whole guaranteed interest, and then the Treasury recouped them to the extent of half not exceeding 2 per cent. The result of that was that the Treasury guarantee was of no value whatever in the eyes of the investor at that time. We could not get any money at that time for these light railways at less than 5 per cent. We had, therefore, to saddle the contributory area with a guarantee of 5 per cent., minus the Treasury 2 per cent. It is obvious that if the Treasury 2 per cent. had been put in the right place we could have got that money at about 1½ per cent. less, and therefore we should have been paying 1½ per cent. instead of 3 per cent. in the case of lines that are not earning anything yet. It also led to a waste of public money and an excessive burden on the ratepayers where the Grand Jurors refused to give the 3 per cent. as excessive and would only give 4 per cent., because the result of that was that they could only get the money from contributors, who, of course, arranged matters, so that the railways cost more than they ought to have done. That is the usual way.

25,240. Your point being that if in name the rate of interest was as large, the amount on which it had been paid was so much larger that the apparent saving was not realised, is this right?—That is so. I think this is rather an important point. I have here a note given me which puts the matter so admirably, that I should like to read it to you, though the writer has not authorised me to give his name. If I may read it as supplied by a friend, I think it puts the case better than I could have done it: "The assistance given by the State for the construction of light railways in Ireland under the Act of 1882, was given in such a form as to result in great waste of public money. It consisted in a Government guarantee of half the interest on the capital subscribed for the construction of these railways provided that such half should never exceed 2 per cent. on the capital, and provided that the county rates should be liable for the rest. This guarantee was a guarantee given to the local authorities. They were to raise the money for the construction of the lines and to be liable to the capitalists who advanced it, for the entire of the interest, and when they had paid that interest the Treasury was to recoup them on each of what they had paid, provided that that half did not exceed 2 per cent. The intention of the Act was good. It was intended to assist the localities in two ways. First, to enable them to borrow money at a cheap rate, and second, to free them from half the interest on such capital. From the form in which the assistance was given it failed altogether in obtaining the first object, and having failed in this, it only partially succeeded in the second object. The Treasury guarantee not being a direct guarantee to the capitalist who advanced his money, it turned out that no money could be raised at a lower rate than 5 per cent., and as the Treasury recouped the counties to the extent of only 2 per cent., such contribution amounted only to two-fifths instead of half of the interest. Had there been a direct Treasury guarantee the money could have been raised certainly at 4 per cent., and most probably at 3½ per cent. The guaranteed railway stocks are now selling at from 40 to 50 per cent. premium, and the whole of this

premium has really been handed over to the capitalists by the form which the Government chose to adopt in giving the guarantee. When I say that the counties had to pay 5 per cent. for the money, it may be urged that in some cases they got it at 4 per cent. This is a delusion. Whenever they got the money at 4 per cent. the capital sum was increased in proportion. No doubt in this way some counties succeeded in getting the Treasury to pay half the dividend, but they benefited in no other way. What was done was this. The contractor who promoted the railway was quite indifferent whether he got 4 per cent. on a large sum or 5 per cent. on a small one. Supposing that the real cost of making the line would be £80,000, he would make the line and get the capital for that at 5 per cent., but if the Grand Jury said, 'No, we shall not give more than 4 per cent.', he would say, 'Very well, I cannot make the line for less than £100,000,' so that he got exactly the same guarantee in both cases. The result of this system has been an immense waste of public money. The extreme folly of the course adopted, in the first instance, in regard to these guarantees has been made very clear by the succeeding Act in 1894. Under this Act the Treasury is given power to redeem the payments of the annual dividends by paying over to the counties a lump sum equal to the estimated capital value of the annuities. The capital value of the annuities is calculated by the Act at 3½ years' purchase of the annuities, and the counties have the option of accepting this sum and redeeming so much of the capital stock as it will purchase, or of continuing to receive the annual payments. If the guaranteed shares were obtainable at par, this would be a great relief to the ratepayers. The arrangement costs nothing to the Treasury, and it would be a great boon to the ratepayers, but as I have said the guaranteed shares now sell at 50 per cent. premium, and there is no gain to the ratepayers in purchasing an extinguishing stock at that rate. In fact, in 1894, the Treasury tried to give to the ratepayers the advantage of the Government credit in raising money, but it was then too late. The speculator had come in, he had invested his money at 5 per cent., the value of his shares had gone up to 50 per cent. premium, and he had not the slightest prospect of not getting the advantage of this change." I am sorry Sir Edward Hamilton is not here, because he would remember that I went to him and asked him to get a measure passed on the lines of the measure of 1894, four or five years before that; and if it had been done then, we should have got considerable relief. But by the time it was done, people had found out what these shares were worth, and the value of these shares had gone up so high that we could make no use whatever of that Act. We are still under these difficulties. I do not know whether it would be right to take up your time, but I have here a letter that was written to Lord Spencer at the time, which shows very clearly that the Government aimed against light, because the whole thing was foretold as the result of the shape in which the Act was brought forward.

25,241. I do not know that considerations of what might have been, and what is not, are of very much use to us; what we want is what we are to do at the present time?—We were in this position at the time. We went in under this Act and made railways, as it was a case of a railway made under these terms or none at all. I myself had spent a good deal of money and time in two previous schemes for a railway in my district that was badly wanted, and my late children, I think, were in the different schemes. When this Act was passed, in spite of all its drawbacks we made the best of it; but we now find that it is a burden that should be relieved along with other burdens. It is only fair to say that there is a chance in the Local Government Act under which if there is money enough from licence duties, grants, and other things, there will be relief of half the excess over 6d.; but that is not sufficient and not satisfactory, because that speaks some more or less equitable arrangements that were made. In my case the line runs through two counties, 30 miles in one county and 10 miles in another, and it was carefully calculated that the Tyrone ratepayers would derive more benefit than the Fermanagh ratepayers, therefore the Fermanagh ratepayers are only taxed for a sixth of the capital instead of a fourth. That was equitable as far as it went, but this new arrangement of only relieving half the excess over 6d. will, if there is money enough, relieve the Tyrone people to the extent of 2d., and the Fermanagh people not at all.

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which is not satisfactory to those who made the arrangement.

25,242. Then you make a second suggestion I see, that the charge of the control of lunatic asylums should be taken off the local ratepayers altogether?—Yes, I was a nominated governor of a lunatic asylum for three or four years under the old system, and I am now a member of the joint committee.

25,243. The whole management of lunatic asylums was changed by the Local Government Act of last year, was it not, and transferred to the county authorities?—It was transferred to the county authorities, that is to say, instead of a board of governors nominated by the Lord Lieutenant, there is a board of governors nominated partly by the county councils and partly by the Lord Lieutenant. The new committee is not very unlike the old board as regards my asylum.

25,244. Are you in a position to say what the charge is now per £ on your valuation for lunatic asylums?—I could find it for you. Perhaps if you will allow me to send it to you it would save time, I have not got it under my hand now, and I have not it in my head.*

25,245. Very good. Is any part of that included in what is known as the standard rate?—Yes, I think it is included. I think that is a county-at-large charge. There is also a capitation grant of 4s., which continues. What the county pays is a county-at-large charge, and therefore, it is supposed to obtain relief under the agricultural grant. What the controlling power is now is a little vague, and I must confess I do not quite understand what comes in instead of the Lord Lieutenant and the Board of Control. We are still not allowed to do exactly what we like. My experience is that the care of lunatics is now such a highly specialised matter that it is not fit for a local board. I have felt exceedingly uneasy on that head all the time I have been there, because one never was sure, in trying to cut down expense, that one was not cutting down something that was necessary under the new arrangement for managing lunatics.

25,246. If you had on the one side a poor law worked locally, and paid for locally, except for a grant from Government for certain parts of it, and on the other side a system of lunacy administration wholly at the expense of the Imperial authorities, do you, or do you not, think that there would be a temptation on the part of the Local Authorities to push off as lunatics on to the Imperial charges the maintenance of people who are not really lunatics and who ought not to be so certified?—No, I do not think that is a serious danger. It is possible that it might be tried, but if the lunatic asylums were properly managed under strict official control, I do not think it would be possible that any large abuse of that sort could grow up. I have committed a good many lunatics in my time, and I do not see where any serious abuse could come in.

25,247. Where would you put the power to judge who was a fit subject for treatment in one of the Government lunatic asylums and who should remain on in the local institution?—The officer of the asylum in the first place. At present the magistrates can commit dangerous lunatics and others can be sent in on an application from—that is those who can take them there by their friends.

25,248. We will leave out for the moment those who are obviously dangerous and are committed by the

magistrates, who certainly at the present time the other lunatics who are not dangerous—I think it is the dispensary doctor, as far as I know.

25,249. Would not the pressure upon him be very great to relieve the local fund at the expense of the Imperial one?—It might, but if the officer of the lunatic asylum did his duty, and was looked after by whoever the new authority was, he would send the case back again, and the thing would right itself very soon.

25,250. Is that a course which would commend itself to you, that the unfortunate individual should, in the case of conflict, be made a shuttlecock between the opposing Authorities?—Of course, if it was likely to happen in very frequent cases, it would be deplorable, but I do not apprehend anything serious from that cause.

25,251. Then you make the suggestion of a special grant-in-aid for the maintenance of indoor paupers and workhouse hospitals; is that not done at the present time?—To a certain extent it is; that is so; they pay half the salary of one nurse, and I think half the salary of the workhouse doctor. The reason that if there is any further relief it should come to us in that shape rather than in a grant spread as the agricultural grant is, is this: the check on outdoor relief is undoubtedly slackened by the union raising that is introduced under this Act. Formerly, the guardians of each electoral division saw that their electoral division was not unduly burdened; now it does not matter so much, as the thing is spread over the union, and it is very hard to get the guardians to watch the administration of outdoor relief. That has increased the tendency of the ordinary average guardian to say, "Oh, give him 2s. a week; it will cost more to bring him into the 'house'." Of course, one has one's own arguments against that argument, but they do not produce much impression. I think if you add some positive clear assistance towards the maintenance of indoor paupers, that would tend to check outdoor relief. With regard to the hospitals, the ordinary local guardians show a very grudging spirit about the improvements that the Local Government Board is trying to press upon us with regard to these hospitals. It is exceedingly desirable that these improvements should be made, but the poor ratepayers, the electors of many of the guardians, feel it is a grievance that they should pay for what they consider luxuries in these hospitals that they cannot afford in their own houses. There is a good deal of friction about it, and the poor people in the hospitals suffer, and the hospitals are not nearly as useful as they might be at local hospitals. It would be, I think, a very useful reform if some more assistance was given towards these hospital reforms.

25,252. (Mr. Arthur O'Connor.) Before the passing of the Local Government Act, the Eschequer met portions of certain services in Ireland?—Yes.

25,253. They were workhouse schools, medical officers, vaccination officers' lymph, pauper lunatics in asylums, county infirmaries, bedding, inspection of lunatic asylums, inspection of factories and prisons, convict and ordinary prison establishments, industrial schools, and a number of others; they came altogether to some two or three millions a year, did they not?—I think so.

25,254. Under the Local Government Act, those allowances ceased, and another arrangement was made for a lump sum?—Yes.

25,255. There is no remarking of any portion of that lump sum for any one of these particular services except with regard to very few?—I think that is so, so I understand.

25,256. Therefore, we should get rather into confusion if we talked about the present system giving more or less on account of services which were not included in the old list, inasmuch as we cannot remark any portion of it for each service?—But I understand that the money, such as it is, is to be made good as far as it will in giving the same contributions for the same services as the old money did.

25,257. And there was nothing on account of roads in that list. The Government did not before that

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Minister
January
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Pauperism
There
should be
a special
contribution
from the
Eschequer
in aid of
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of indoor
paupers
and work-
house
hospitals

Eschequer
contribu-
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the Local
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* The witness subsequently wrote:—

The estimate of this is somewhat complicated by the fact that the charge for the Dublin Lunatic Asylum is a general charge included in what is known as the standard rate, while on several portions of the agricultural grant is allocated for this special purpose. Our estimate for the year 1898-99, which is the year for which the standard rate is fixed, is as follows:—The charge for the Dublin Lunatic Asylum for the year 1898-99, according to the schedule on which the estimate is based, is £1,000. The charge for the Dublin Lunatic Asylum for the year 1898-99, according to the schedule on which the estimate is based, is £1,000. The charge for the Dublin Lunatic Asylum for the year 1898-99, according to the schedule on which the estimate is based, is £1,000.

The charges will be taken on the basis of the schedule on which the estimate is based, and the charges will be taken on the basis of the schedule on which the estimate is based, and the charges will be taken on the basis of the schedule on which the estimate is based.

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contribute anything on account of roads?—So far as I can recollect, nothing.*

25,228. Am I right in saying that the agricultural grant was originally fixed on the basis of the taxation of an abnormally low financial year?—I do not think so, because there was a very careful examination made apparently, as far as I can judge.

25,229. I will not press it if you do not admit it; you do not assent to that proposition?—I cannot assent to that proposition; I wish I could.

Griffith's
valuation
is the
result.

25,230. Would you mind telling me what you mean in the first line of your memorandum by the words "faults of the existing valuation?" What are the faults you refer to there?—Though I hold that the Griffith system is an excellent one, nothing is ever done in Ireland exactly in the way it is meant to be done.

25,231. What are the faults?—Inequalities.

25,232. I think we have gathered from you that existing rents were a factor in the formation of Griffith's Valuation?—I think there is no doubt that they were a factor.

25,233. If Griffith's Valuation, which, as you say, cannot be bettered, was a good and a sound one, how do you account for the fact that the valuation was higher in Ulster than elsewhere; if it was founded on a scale of prices, why should not that scale have had the same effect and results in one part of Ireland as in another?—Probably because of the necessary comparison or check by rents, which had rather more effect on the values than Griffith meant it to have.

25,234. Then whatever may have been Griffith's intention, the fact remains that instead of a scale of prices determining the ultimate figures, the existing rents had a good deal to do with it?—The existing rents had a good deal to do with it.

25,235. That is your explanation?—Certainly.

25,236. Would you kindly tell me how it is that the tennement valuation of 1832 was higher than the tennement valuation of 1840, the same principle being adopted?—No, I cannot tell you. That was before my time, and I have not gone into it.

25,237. I will not press you, then. You say that the system of valuation adopted by Griffith is the same as that which was adopted in Prussia?—Yes. I had a copy of the Prussian Statute, which I have mislaid, but I have found a pamphlet of a few years ago in favour of certain reforms in local taxation in which the statute is quoted.

25,238. This is a copy, which I hold in my hand, of the Foreign Office Report on the Local Government and Finance of Prussia of this year?—That would be very useful.

25,239. Are you aware that the taxes on immovable property in Prussia are collected from the landowner?—Yes.

25,240. Is that the same as in Ireland?—That is because the landowner is usually the occupier; the letting of land is very unusual in Prussia, the land is almost all in the hands of the owner, and where it is let it is let on a strict contract tenure.

25,241. Where land is let, is it not true that the taxes are levied from the owner?—I think it is probably very likely.

25,242. Then this official paper is true?—Yes, I think it is likely, but I think it comes to the same thing, because they get so much more rent if they pay the taxes; of course the owner pays the burden on land in the long run.

25,243. That general proposition would be as applicable to Ireland as to Prussia, would it not?—Certainly.

25,244. It would not matter, from your point of view, in the end if the landlords in Ireland paid the rates, because they would get the money back of all from the tenant?—They ought to; whether under the present Land Acts they would be another matter.

25,245. Such money as they use for the payment of rates, I suppose they do, first of all, get from the tenants?—I do not quite understand your question.

* The Widows subsequently wrote —
"We do not ask in charge for roads, or such, we contributed, but the public duty must rest partly on others to relieve that charge."

25,276. I will not press it?—As you have raised this point about the Prussian system, allow me just to read this citation of what the Prussian system under the law of 1840 is; I have just translated it out of the pamphlet I have mentioned where it is cited. "In situations for measuring the net yield on the basis of the money value of the produce according to Martin's average prices of agricultural produce during the period from 1836 to 1860—the two dearest and two cheapest years being omitted. The results were to be checked by comparing them with the actual selling and letting value of the parcels of land—first, with the prices which a practical purchaser or hirer, furnished with the usual working capital, would give for a acre of land of mean quality of the class and kind of cultivation in question—with the prospect of making the profit or rate of interest on the purchase money or rent usual in the country or province." This valuation has stood as Griffith's has stood up to the present time. There are also complaints of inequalities, but I find that the author of this pamphlet, in favour of a reform, does not propose that there should be a new valuation of land, because he thinks that it would cost more than it would be worth, and he proposes other remedies. May I say, as I consider that rent, in the sense in which it exists in England and Scotland, really does not exist in Ireland, that if it be necessary to have a new valuation in Ireland, the place to look for your example would be well-administered continental countries like Prussia, where a system more like the present Irish system exists, but where rent cannot be taken as the basis, because it exists in so few cases. I do not know whether your attention has been drawn to the fact that at the present time there is a general new valuation and mapping of Alsace going on. The Prussians do all these things exceedingly well, and as the case of Alsace they are putting their very best foot foremost.

25,277. (Chairman.) We have not got really the means of checking the Prussian system, and so I do not think we can go into it?—I merely venture to suggest that there is what is probably a very perfect system in progress now in the way of a new valuation that might be worth your looking at if you are considering the question of a new valuation in Ireland.

25,278. (Mr. Arthur O'Connor.) Are you aware or not that in the report to which I referred there is a reference to the official explanatory statement which was annexed to the Prussian Act, in which it was pointed out that the land and the building taxes in force has the grave inconvenience of not being sufficiently flexible, and consequently it is suggested that the Comptroller should pass new ordinances providing for a valuation based on the net value of the last three years, and re-assessed every year?—Is that the latest you are quoting from?

25,279. I am quoting from an official document?—I have not followed that; I have not seen that I am sorry to say.

25,280. (Mr. Smith.) Do you go so far as to say that it would be impossible to obtain a valuation of land in Ireland based upon what is the principle in England, namely, the gross estimated rental value of the land?—"Impossible" is a strong word. The Chairman was kind enough to say that he would allow me to point out the points in which I wished to slightly modify the words in my memorandum, and that was one of the points, where I have said in paragraph 7 that a new valuation could not be made under Griffith's system under present circumstances. I should modify that and say it would be difficult, and I should say, in reference to my paragraph 8, that it would be possible to get the valuers if you paid them enough; and also I should like to say on paragraph 9, that a good many of the Land Commissioners would no doubt, with proper instructions, be able to value for the Valuation Office. I wish to modify those paragraphs.

25,281. I suppose land is sometimes sold in Ireland, is it not, with the concurrence of the dual owners, the landlord and the tenant?—The landlord's interest, or the tenant's interest?

25,282. I am speaking of the whole thing, look, stock and barrel, does a landlord never agree with his tenant?—I usually agree with my tenants—yes.

25,283. Is such a thing as a sale of property out and out, in Ireland unknown?—A sale for cash as dis-

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guished from sale under the Land Purchase Act, do you mean?

25,284. Yes?—No, it is not absolutely unknown.

25,285. The soil of Ireland appears to be held in a kind of dual ownership at present?—Dual ownership is a term very often used in respect of it, and though I do not think it is legally and technically quite correct, in many respects it is right enough.

25,286. The landlord receives something called rent?—Yes.

25,287. And the tenant has a position from which he cannot be ousted except for certain causes?—That is roughly so.

25,288. The tenant right, I presume, is a possession that has been obtained in consequence of improvements made by the tenant?—Partly.

25,289. Which improvements a landlord in England generally makes himself?—Yes, that is largely so; but that is not a complete statement.

25,290. So far as it is represented by improvements, if they are made by a landlord in England they go to add to the value of the estate?—Yes.

25,291. And, therefore, increase his valuation?—Yes.

25,292. To that extent they should increase the valuation in Ireland?—Yes.

25,293. And to that extent, plus the landlord's interest, something like a valuation could be arrived at, could it not?—It would be very difficult. I think that probably with a proper valuation of the houses, you would come fairly near it by leaving the old valuation alone for the present. I do not think the differences would be worth the difficulties and the cost of the new valuation, and the friction and representation of old disputes that are, fortunately, rather leading to do not now.

25,294. You think that the parties have so complicated the position that it is impossible to ascertain the real value of the soil of Ireland?—I think possibly that when the Land Purchase Acts have operated for another 10 or 20 years you might then get at the proper valuation more or less, on the Pyramian system, when this difficulty of every man being a tenant's man or a landlord's man and so forth, and the tendency to look at the valuation as a standard of trust and so on, have died out.

25,295. You have described that, I think, in paragraphs 31 and 32 of your memorandum?—Yes.

25,296. (Mr. BAKER.) The State is very directly concerned with the accuracy of the valuation in Ireland, is it not?—It does not seem to me that that is of first-class importance. Do you mean as regards being responsible for it or as regards the result of taxation?

25,297. I mean as regards the result of the valuation. The State taxes on the valuation, does it not?—It taxes on the valuation, but you see the tenants and the small purchasers all escape income tax and the landlords can pay income tax on the rent or the valuation, whichever they like. With regard to them, or has been hitherto, it is more convenient to them, to pay income tax on the valuation; but if the valuation was raised on the land in their own hands they would have recourse to the remedy which is now in their power of keeping more accurate accounts and showing that the land really brings in to them, and that they can pay 8s. on their net profits with certain deductions that no doubt they

would take more advantage of if the taxation upon them was made heavier.

25,298. It was stated to us by a witness who came here a week or so ago, that he thought that as a mere matter of business it would pay the State to make a re-valuation of Ireland on account of the increased revenue which would be received on the re-valuation; would you agree with that view?—No, not at all, because, as I say, the tenants and the small owners are all virtually exempted from income tax. I think that really unless a man's valuation is up to 450s. he pays no income tax.

25,299. It would affect other duties, would it not, besides the income tax?—Of course, you could put up the valuation of licensed houses, and knock a little more out of those, that might be done; but then that could be done, you see, on the increased powers of the Valuation Office that I advocate as regards houses.

25,300. I gather from what you have said that you closely disapprove of the view that it would pay the Exchequer, to have a new valuation of property on account of the increased revenue which it would receive?—Certainly, it could not pay. I do not see how it could pay, because it would really only refer, as regards land I am talking of, to land in the landlords' hands, and either the landlords would be able to get out of it by keeping accounts with regard to their land, or if you made that impossible, if you legislated so that they were obliged to pay on that increased valuation, why you would put the last straw on the backs of the few landlords who are holding their own there and trying to do their duty.

25,301. Are you speaking now simply of the valuation of agricultural land, and not of the valuation of houses in towns?—Yes, because I think the valuation of houses is done on another footing. It is perfectly possible to have a re-valuation at the present moment, and I think Belfast is being re-valued, and there is no reason why every other place should not be re-valued.

25,302. In other words, we may take what you have said with regard to the non-necessity of a new valuation at the present time as applicable simply to agricultural land and agricultural buildings?—Yes.

25,303. And not again say any thing applying to towns or to urban property?—No, it applies to agricultural land, and to a very limited extent to agricultural buildings. I should like to see larger powers of re-valuing agricultural buildings, some ought to be reduced and some ought to be increased.

25,304. Then are we to understand that you are suggesting that there is no necessity for any action to be taken with regard to valuation work in Ireland?—No, I think that the part of the valuation work which consists in making correct maps is of first class importance, and ought to be pressed on even if the State has to pay twice as much as you have reminded me it is paying now. With regard to houses, it is most desirable that the Valuation Office should have all the necessary powers and means to re-value houses wherever they think it necessary.

25,305. In other words, it comes to this: that in any proposal which you would suggest that this Commission should make with regard to the valuation of property in Ireland, you would say that there is no necessity for a re-valuation of agricultural land?—That is my point as regards that.

The witness withdrew.

The Right Hon. EARL BROW called and examined.

25,306. (Chairman.) We have asked you to come here to-day very largely upon Mr. Montgomery's suggestion; you have been good enough to prepare for us this memorandum* which I hold in my hand?—Yes.

25,307. So far as I gather from the reading of it, you press very strongly the view which Mr. Montgomery has put before us, that at the present time a basis re-valuation of agricultural land in Ireland as a basis for the assessment of rates and taxes is not required?—I believe that it is not required, and in this way is not required—that it would not produce any sensible result to the Exchequer, nor would it to any great extent relieve unequally burdened ratepayers—not to a sufficient extent to make the great expense attending such a re-valuation at all desirable.

Re-valuation of agricultural land in Ireland is not required and is undesirable.

Mr. H. de P. Montgomery.
Montgomery.
Nov. 29

Re-valuation of houses is desirable, but not of agricultural land.

Right Hon. Mr. BROW.

25,308. You agree with Mr. Montgomery that the friction and difficulty of such an undertaking would far outweigh the advantage to be gained by it?—I do.

25,309. You have said that so far as the Exchequer is concerned it is not worth while, but do you think that the arguments which you see against it would convince those who at the present time pay more than they would actually do in proportion to the valuation of others; there are some, I suppose, who are unfairly taxed by the existing system?—Not to any great extent, I think. I rather wished to confine that observation to agricultural land and agricultural buildings.

25,310. Do you include agricultural buildings?—I should include agricultural buildings too, but not to the same extent as agricultural land.

Right Hon. J. Brown.
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25,321. We have been told that there are instances where the relative values of agricultural margins have shifted very considerably?—I am not aware of any.

25,322. For instance, is grass land not much more valuable now, in proportion to tillage land, than it was in 1882?—The value of grass land, as compared with tillage land, has gone down of late years. Since 1882 it rose very considerably up to, we may say, the year 1890, but since that time it has been gradually retreating and is now down very considerably, compared with what it was between 1870 and 1880.

25,323. You sum up your view upon this matter in paragraph 26 of your memorandum?—Yes, I do.

25,324. On that point is there anything you think you can add?—That paragraph sums up my views generally stated.

25,325. Then in paragraph 21 you deal with a different and a new point; would you suggest to me any remedy that has occurred to you for the anomalies which you say exist?—That is a difficult thing, unless there is a division made in the valuation list between buildings and land, and power is given to pay rates on the one when they are not paid on the other. As I read the Local Government Act, a ratepayer must pay upon the whole holding, but he can deduct from the landlord half the rate of the standard year in respect of buildings.

25,326. You give certain facts in those paragraphs, but my intelligence has not quite grasped what it is that is damaged by this state of matters. I want to know on whom the burden of the anomaly falls?—It appears to me to fall upon the owner.

25,327. Would you explain to me how; I have no doubt it is so, but I do not quite follow it?—The valuation includes buildings; in those cases in which buildings have been made by the tenant, and are the tenant's property, rent is not allowed to be paid to the owner under the Land Acts, but the occupier can deduct half the standard rate from the owner in respect of those buildings, which appears to be that he is deducting the rate and making the landlord pay the rate on property which does not belong to him and from which he derives no benefit.

25,328. He gets the half of it back, does he not?—No, he does not get half back.

25,329. Where does that half go?—It is a theoretical half. The agricultural grant is supposed, in respect of county cess, to rebate the tenant of half the cess that he paid, and he retains that, but all the same, where the conditions of the holding allowed him to deduct half the county cess from the owner, he still retains that right, deducting this half standard rate from the owner; and in respect of the buildings in the case which I have supposed, and which very often occurs, he really does deduct from the owner and makes the owner pay the half rate on property which is not the owner's.

25,330. Does that happen in many cases?—It is hard to say that. I do not know how far the division of the county cess has gone throughout the whole of Ireland. In my part of Ireland I know that it frequently happens in lettings. Since the Act of 1870, in all new lettings the tenants had the right to deduct the half cess from the rent.

25,331. (Mr. Arthur O'Connor.) Are you speaking of Carlow?—I am speaking of Carlow, and also of Wexford. Just to give the Commission an idea of the extent to which that extends, I could tell them the figure is property, which is my own property. The rates allowed to tenants in the year 1897-98 in respect of poor rate were 470s., and in respect of county cess there was allowed to tenants 158s.

25,332. (Chairman.) What would be the result now that the Act is passed?—That in those cases in which the county cess is allowed, and where the tenants owned the buildings, the owner of the property would have to pay the half rate on those buildings which are not his.

25,333. How much would that amount to in those cases?—The amount that was allowed to the tenants in those cases was 130s., but I cannot distinguish among those cases in how many the buildings belonged to the tenant and were his property, and so rent was allowed for them.

25,334. Then it only happened in cases in which the buildings belonged to the tenant?—That is so.

25,335. And only for the amount of the cess which is put upon the buildings as distinguished from the land?—Yes.

25,336. Therefore, it would be a very small proportion of the 130s.?—It would be a small proportion, as double.

25,337. You cannot say how much though?—I cannot say how much.

25,338. When you go on to make some suggestions for the relief of local rates from the "cost of all" building, enlargement, repair, and equipment of "lunatic asylums incurred after the standard year"?—Yes. I understand that the agricultural grant continues the contribution from the Exchequer in respect of lunatics, only in another form. It was a direct contribution before; it is now contained in the agricultural grant, but merged along with other grants.

I understand that up to the year 1897 the relief in respect of the agricultural grant is continued, but in several districts large amount of liability for buildings, enlargement, repair, and so on, of lunatic asylums was not incurred at that time, and must be incurred under existing arrangements. In respect of that cost, there does not appear to be any arrangement made for relieving the ratepayers. I may say that in the Carlow District Lunatic Asylum some large works were undertaken a few years ago, the total amount of which was estimated to amount to something over 40,000s. I do not think that much more than half had been incurred, and the loan for making those works had been raised at the end of the year 1897-98. Therefore, all this additional loss for carrying on these works and completing them will fall altogether upon the ratepayers without any assistance from the Exchequer. That is the reason why I recommend that the cost of these buildings should be taken into consideration after the standard year, and I suggest that the whole of the cost of these buildings shall be undertaken. It is a very heavy cost, and in most cases has been incurred rather without the sanction, or, at all events, without a very decided sanction, from the boards of governors, so far as the ratepayers were represented on them.

25,339. You also suggest, as I understand it, that some other expenses should be transferred from the local to the Imperial chest?—I think it has been the general policy that all costs connected with the administration of justice should be borne by the Imperial Exchequer.

25,340. Not quite all, surely?—I am speaking of the theory. The grants that have been made, and the expenses undertaken, appear to be in consequence of that theory, but it has not been completely carried out, and I suggest that it should be so carried out, and that the expenses connected with the law courts, coroners, sub-sheriffs' salaries, reformatories, and industrial schools, should be transferred.

25,341. Perhaps you will not agree with me, if I suggest, that if people have to pay, it is a wholesome hint that they ought to keep order?—I do not quite follow, my Lord.

25,342. If there is much disorder in a district, there will be more expenses, will there not?—Certainly.

25,343. Is it altogether unexceptionable that the district should feel the pinch in that way?—I do not think the disorder in the district is very much connected with the expenses of the law courts, that is to say, the judges in the law courts, the officers in the law courts, the coroners' and the sub-sheriffs' salaries. These are fixed expenses which do not increase or diminish to any extent in accordance with the state of the district.

25,344. What costs connected with the Parliamentary elections would you put upon the Imperial Government?—The making out of the voters' lists and the sheriffs' expenses.

25,345. You would do that, I suppose, everywhere, both in England and Scotland, as well as in Ireland?—I think so.

25,346. Is there any other point which in our commission of Mr. Montgomery, or in your memorandum, has been omitted that you would like to speak to?—I should like to say that I think the costs of any revaluation that is made, and of the revising of that valuation, should be borne by the Imperial Exchequer.

25,347. Is there any other point?—Considering, as is frequently held down I think by authorities, that although

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Lunatic asylums. Suggested that rate should be relieved of the cost of buildings, as incurred after the standard year.

Administration of justice suggested that cost connected with it should be borne by Imperial Exchequer.

Parliamentary elections. Cost of voters' lists and sheriffs' expenses should be borne by Imperial Exchequer. Revaluation. Cost should be borne by

the valuations as first paid by the occupier, they, in the long run, fall upon the property, and are paid by the owner, I think that the relief that is sought is one that is reasonable.

25,338. (Mr. Arthur O'Connor.) Let us understand what you said about one and the same house. As I understood it, as a rule, formerly the occupiers used to pay all the cost?—As a rule, yes.

25,339. And the landlord now?—That was so.

25,340. But in exceptional cases the landlord paid a portion of the cost?—Yes, that is so.

25,341. But that was an exceptional arrangement?—It only, I think, came into force in the year 1870.

25,342. It was exceptional, and local, more or less?—It certainly extends to the district I am acquainted with.

25,343. You have certain figures which you referred to just now. These figures, I think, relate to your own property, do they not?—Yes.

25,344. Could you tell me what was the amount of the county cess on which you paid so exceptionally?—The amount allowed to the tenant?

25,345. Yes, the half of the cess?—100.

25,346. Could you tell me what is the amount of the rate now charged against the landlord on the same property in respect of the buildings which belong to the tenant?—No, I could not.

25,347. Does it amount to 100?—I could not say I am sure.

25,348. Considerably less?—Quite so.

25,349. As a matter of fact, is it not considerably less?—I would not venture an opinion.

25,350. So that, in relief, in spite of this arrangement you are better off than you were before on that point?—I do not quite follow that.

25,351. If the amount which you have to pay for rates on the houses which are sold to be the property of the tenant does not amount to the 100 which you exceptionally paid on account of county cess under the old arrangement, you are better by the difference, are you not?—Of course, the agricultural rate does benefit the owner to a certain extent.

25,352. (Mr. Case.) I do not quite understand how this arrangement about the deduction of the rates on

buildings is carried out. Would you kindly follow me in perhaps an exaggerated illustration, but one which will explain it to my mind? Supposing that land and buildings are valued at 500 a year, and assume for the moment that 100 a year is the value of the land and 400 a year is the value of the buildings, and the buildings belong to the tenant; if I take the rates at 2s. 6d. in the £, there will be in respect of the 400 valuation of the buildings 10s. to be paid altogether; now do I understand that under the illustration I have given you the tenant when he pays the 100 to the landlord in respect of the land will be able to deduct 2s. 10s. of that from the 10s.?—Did you state what the rent was?

25,353. I stated the rate of the buildings to be 400 and the rent of the land 100, and assumed that the buildings belonged to the tenant; taking the rates at 2s. 6d. in the £, the total amount of rates paid in respect of the buildings would be 10s., do I understand that the tenant when he pays the 100 to the landlord will be able to deduct 2s. 10s. in respect of his buildings?—If the case has come before the Land Court and the Land Court had decided that the rent is to be 100—

25,354. I will assume that if you like?—The tenant would still, as I understand this Act, have the right to deduct that 2s. 10s. from his rent.

25,355. Then it is quite possible to assume a case where the valuation of the buildings would be so much in excess of the valuation of the land that the amount of the rate which the tenant would be entitled to deduct from the rent he has to pay to the landlord would actually come to more than the rent he has to pay?—Well, if you suppose a case that would be almost impossible, I suppose you could run it up to that conclusion, but in my experience the difference, or rather the division of the valuation between land and buildings never in any case in an agricultural holding comes to what you have supposed.

25,356. Does the word "tenant" apply purely and simply to an agricultural holding?—It would apply to the occupier of a gentleman's country house?—It might be considered so, an agricultural tenancy of course, if the land was attached to the house and it was taken by a tenant; but domestic lands and domestic houses are excluded from the Land Act.

25,357. At any rate, so far as the Act applies the tenant is entitled to deduct half the rates that he pays upon the valuation of the buildings from the rent he pays in respect of the land?—I believe that to be so.

The witness withdrew.

Mr. SAMUEL MORRIS HOWE called and examined.

25,358. (Chairman.) We understand that you are a magistrate in the counties of Cork, Kerry, and Limerick, that you have been a land agent for about 30 years, and during that time you have received the rents of about one-fourth of the entire county of Kerry?—Yes.

25,359. You are, therefore, thoroughly acquainted with the resources and taxation of the county?—Yes.

25,360. Your experience in your business has extended over other districts besides that of Kerry?—Yes.

25,361. I think that one of the objects of your memorandum* is to show the large relative amount of burden which is placed upon certain districts of Ireland?—Yes, and to show that it is impossible that they could bear that without incurring great hardship.

25,362. Have you, in making these calculations, separated from one another the burdens which are borne as respects of cesses and charges, and these for which some benefit is returned?—Yes, I have a list of every separate charge here which I can put in.

25,363. You agree with me, I suppose, that a very great distinction may be drawn between burdens which are onerous and burdens which are really borne in return for some benefit?—Certainly, if the papers were the recipients in all cases; but my argument is, that the farmers pay all, and that a great many other classes get the benefit as well.

25,364. Would you take an example of that which illustrates the force of the last remark that you made?—In one barony in Kerry there is a tax for the year of 500 for a railway, but that railway is very extensively used by the Government in taking their troops backwards and forwards to the military ranges.

25,365. (Mr. Arthur O'Connor.) What barony is that?—Trillickbarony.

25,366. (Chairman.) Do the Government not pay the charges for going over the railway?—They pay the charges, but the railway does not pay its working expenses, so there is a loss to the ratepayers.

25,367. As I understand the point, it is that the Government is drawing a service for which the payment that the Government makes does not recompense who do the service?—Certainly.

25,368. Is that the railway which is mentioned in your memorandum—the Dingle Railway?—No.

25,369. Perhaps you would give us the name, and let us have the exact figures?—It is the Killarney, and this half-year it is 252, 11s.

25,370. You can give us a little more information about it, no doubt?—I do not know what further information I am to give; that is the tax on the ratepayers.

25,371. It is not mentioned in this memorandum of yours, is it?—No, possibly not; I only referred generally in the memorandum to railway guarantees. I did not go into the details of each railway.

25,372. I should rather like to have the details of it?—I have the details here. The Killarney railway for the half-year cost the Trillickbarony barony 252, 11s.

25,373. I want to help you to make us understand how you make out the statement that the Government is drawing a benefit from this district at the expense of the district?—The Government have used this railway for their own purposes constantly for moving troops backwards and forwards, as they use every other railway, whenever they want it. This barony is

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contributing 2632. 14s. for the half-year, another barony is contributing 1595, and another barony is contributing 405s., and another barony is contributing 262, and they all make up a very considerable sum.

25,374. Contributed to what?—Contributed to the working expenses of the railway, and the payment of the guaranteed capital.

25,375. What contribution was given by the Government originally to the railway?—Nothing to this railway. That is the reason that I specified this railway.

25,376. Have you made any calculation to show what benefit, in your opinion, measured in pounds, shillings, and pence, the Government is gaining at the expense of the baronies which you have mentioned?—I could not say; I have never made any calculation of that.

25,377. Will it be possible to make such a calculation?—I do not think it would be possible to make such a calculation. I could not say how often the troops travel on it, or what they have gained as compared with travelling by that, or going by road.

25,378. It would be possible, would it not, to find out what the Government paid and what they collected, that in regard to the other working expenses, the working of the Government traffic cost?—I could not say that.

25,379. You could not?—No.

25,380. Is there any other instance of a similar kind?—In most of the other railways the Government have contributed; but, I think, generally, other classes besides the farmers get benefit from those railroads, and the excessive taxation has been put down on the farmers.

25,381. As for example?—As for example, the Diegle Railway.

25,382. What other classes get benefit?—The traders in the towns.

25,383. Your point being that the traders send their goods over the railway at a less rate than pays the working expenses?—Yes.

25,384. And that the deficit on the working expense has to be made up from the rates, which charge falls upon the agriculturists of the district?—Exactly so.

25,385. That is right, is it?—That is right.

25,386. In paragraphs 3 and 4 of your memorandum, you specify two baronies, and you give in regard to those baronies certain figures; what are the inferences which you want the Commission to draw from those figures?—The inference that I want you to draw is that the taxes are more than the people can bear, and that they ought to get some relief from the central Government.

25,387. How much, if any, of those figures that you give have been altered by the passing of the Local Government Act?—I can tell you what the county ones and taxes are after the Local Government Act; they are high enough still.

25,388. Let us take the barony in Kerry?—The barony of Corkagony in the west.

25,389. I will take the previous one, Traghemokey?—Is that one the taxation for the year, after the deduction, in 6s. 6d. in the £.

25,390. I want to get the facts first; do I understand that in this barony, Traghemokey, the whole rates in that year were 10s. 8d.?—Yes, in one year—the year 1894.

25,391. Of that 10s. 8d., how much is paid under the Local Government Act by Imperial contribution?—It would appear from this return that it was 2s. 4d. in the £.

25,392. What return is that you are quoting from?—I have before me printed statements of the rates which were struck, which set out the agricultural land and nothing else. I will hand those in. (Handing in placards.)

25,393. What are those papers that you have handed in?—Those are notices of the rates that the farmers will have to pay.

25,394. Do all three figures which are in the right hand column of the lowest part, the long column, amount to the figures that you have given in your memorandum, namely, 10s. 8d.?—No, because they are different years. The figures in the placard are correct, and show what it would have been without the

agricultural grant, and what it is, with the agricultural grant; in the memorandum which I put in, I wished to show how high the rates had mounted up occasionally.

25,395. I am very anxious to follow you as far as I can; in paragraph 3 of your memorandum you give us figures of the county ones for 1894, 5s. 0d., and of the poor rate in the principal parish, 5s. 5d.?—Yes, but you see I put that down as in the year 1894.

25,396. I know, and I am on the year 1894; do I understand that so far as the year 1894 goes, 10s. 8d. was the whole burden of every kind which was borne by the ratepayers of this barony?—Yes.

25,397. What was the whole burden, dividing it into county ones and poor rate, for the year 1895?—I am not able to tell you that separately, but the two together are set out in the placard which I handed to you.

25,398. I cannot at a moment's notice add up all these decimals of a penny?—They are set out at the top of the page.

25,399. Will you tell me what, for that barony, was the total burden upon the ratepayers for the year 1893? (The placards were returned to the witness.)—It would appear to be 7s. 8d.

25,400. That has gone down since 1894?—Yes.

25,401. Of that 7s. 8d. in 1898, how much was included in what is called the standard rate?—That was assumed to be the standard rate from this.

25,402. Then in that case, if I understood you two sentences together rightly, the gross burden borne by the ratepayers of that barony and the standard rate were the same thing?—No, this is the standard rate; I have not got the rate for the year, but that (pointing to placard) is the standard rate returned by the Government, which, I presume, is correct.

25,403. You have given me the gross rate for 1894 for that barony; the question I asked you a moment ago was, if you could give me the gross burden for 1896, then you referred me to that placard?—Yes, I presume the Government return is correct.

25,404. If that return is correct the gross burden has fallen between 1894 and 1898 from 10s. 8d. to 7s. 8d.?—Yes.

25,405. Then of that 7s. 8d. how much is paid by the agricultural grant?—4s. 2d.

25,406. Why is 2d. 7d.?—That is the sum deducted in respect of the agricultural grant.

25,407. There must be some explanation of that which you are more competent to give than I am. What is it?—I really do not know. I have never studied the Local Government Act thoroughly.

25,408. Those figures cannot be correct, as they stand, without some explanation?—That placard gives the Government return of the rates to be levied on agricultural land as 2s. 1s., and on other hereditaments as 3s. 5d. for their half-year, and there is 1s. 2d. taken off that 3s. 5d.

25,409. I will endeavour to make such inquiry as I can?—I assure you I have never read the Local Government Act, and I have never questioned a Government Return as being incorrect. I merely wished to show you how high the taxation was in that county.

25,410. What is the import of the statement in paragraph 4 of your memorandum, which says that "In England and Scotland the taxation on railways" gives very substantial relief as compared with Ireland?—So I should judge from the statistics that I saw published.

25,411. What is the inference you want us to draw?—I have no inference to draw from it; I put down notes according as anything occurred to me.

25,412. You see the value of facts to us is greatly dependent upon the inference which the witness who puts them forward wants us to draw from them?—The inference to draw is, that where a railway is productive and yielding a large revenue, a taxation on that railway is a great relief to the district.

25,413. Certainly, but you do not want us to draw the inference, I suppose, that if the railway is not prosperous its taxation ought to be increased to the same extent as if it were prosperous?—No.

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high there.

25,414. Then what is the inference you want us to draw?—The inference is that I simply wanted to prove the extensive taxation of the county of Kerry.

25,415. How does that particular sentence help you?—If the railways were prosperous, the taxation would be less.

25,416. I see some Tables of comparative taxation at the end of your memorandum, what are the inferences you wish us to draw from those Tables?—I did not intend any inference to be drawn from them. I only put down what the taxation was.

25,417. (Earl Crawford.) In your paragraph 4 you say, "In one case, that of the Fintona Pier, the Government were charging 4 per cent interest for money." What you explain what that means, as I do not understand it?—They gave a loan for the Fintona Pier, which is wholly unproductive, and we are paying an annuity for that for a certain number of years of 4½ per cent. interest, and a certain sum for the principal.

25,418. On the amount raised by the Government, I suppose?—Yes, and I think 4½ per cent. is entirely excessive to charge upon a poor district.

25,419. Four per cent. in the figure you mentioned in your memorandum, not 4½ per cent.?—Possibly it is 4 per cent.

25,420. That is an arrangement made at the time the Government advanced the money, I suppose?—Yes.

25,421. That would be some years ago, would it not?—Yes.

25,422. I do not quite understand paragraph 6, you tell us a good deal about the Dingle Railway, what is the grievance with regard to the Dingle Railway?—The grievance is that the railway was intended to pass a guarantee for that under the understanding that they would get a workable railway, plans were certified by an Inspector of the Board of Works, and it was passed by a Government engineer, but the result of it was that the gradients were steep, and the curves were sharp, and there was a very serious accident on it, and it cannot carry the traffic of the district. I have the report of the Government Inspector here.

25,423. That merely means that a certain railway was passed, which, in your view, ought not to have been passed?—It ought not to have been passed. I think the railway might get some little relief which could be given without any loss to the Treasury.

25,424. "Without any loss to the Treasury"?—The Treasury might lend them the money the same as they lend them the money to purchase their land, at 4 per cent. for 40 years, for principal and interest.

25,425. The chief point is that in your view the Dingle Railway ought not to have been passed by the Government Inspector?—Certainly not.

25,426. I did not quite understand what the point was there. I see you say in paragraph 9 that with the rentcharge in Ireland is not reducible according to the price of corn?—That is so.

25,427. How is this rentcharge levied in Ireland?—It was levied in Ireland on a fixed area under Lord Stanley's Act; it was levied under that as a tenth; and there was a compromise, and there was a fourth value of the clergyman's income, and the remainder was made a charge on the landlord's property.

25,428. It is not levied in any way on the price of corn in an average year?—No. Then there was a clause framed after the Act was passed which very few landlords knew anything about, providing that it should not be reduced, and as the price of corn has come down, now it becomes a very heavy tax. For instance, I could give you an estate where the Land Commission reduced the rent from £600. to £400., and the tithes stands as it was.

25,429. Would you like to assimilate the law in Ireland with regard to tithes rentcharge to what it is in England?—I believe there was a Bill to be introduced last session for that, but there was no time to bring it in.

25,430. That in your view is the right course to take?—Yes.

25,431. (Mr. Arthur O'Connor.) I suppose you have no desire to withhold information from the Commission?—Not the slightest.

25,432. You have prepared your memorandum from your own point of view?—Yes.

a series.

25,433. And if questions from another point of view are put to you, I suppose you may find it rather difficult to answer them on account of your not having considered matters from that point of view, or compared your materials in regard to it?—I certainly did not know that I was to be expected to draw any inference from my facts.

25,434. I just want to ask you with regard to the facts, is it within your knowledge that there are very heavy rates in some parts of Kerry?—Fringhial.

25,435. Very much heavier rates than are to be found in either Scotland or England?—I think so from what I know. I do not believe there is any such taxation in Great Britain.

25,436. And those heavy rates are in the poorest parts of the country?—Yes.

25,437. You have instanced one particular parish in which, within your knowledge, and comparatively recently, namely in the year 1894, the rates amounted to more than 10s. in the £?—Yes.

25,438. Do you know any case in Scotland or in England, or in the rest of Ireland, where anything of the kind can be found?—No.

25,439. (Chairman.) Have you studied the rate books of all the parishes in the west of Scotland?—I have not, but I believe in the Highlands of Scotland and part of the Islands of Scotland the rates are very high.

25,440. (Mr. Arthur O'Connor.) Is there anything which is as high as 10s. 8½d. in the £, as far as you know?—I have not studied the rates, but that 10s. 8½d. in the £ has been paid by a very poor class of people.

25,441. Can you tell us how those rates over 10s. in the £ are made up? I do not mean as to the exact fractions, but in general outline?—One was the poor rate.

25,442. What did that cover?—That covered in one year 5s. in the £ in some places, and in the Dingle district, which was referred to just now, the poor rate was 4s. 1d.

25,443. Let me stick to this particular parish in the barony of Traughnackery, where we had a total of county cess of 5s. 6½d. What was that made up of in broad outline—only just in general terms?—1s. 6d. was the railway guarantee, that was one thing. I have the whole thing here. The road contracts for the half-year were 1,650s.; there were special works, 650s.; maintenance injuries, 184s.; the cost of collection, 254s.; and the railways about 2,600s.

25,444. There will be no difficulty, I suppose, in providing the details?—Not the slightest.

25,445. And there would not be any difficulty in providing the details with regard to existing rates in any chargeable area in Ireland, would there?—Not the slightest.

25,446. Do you know any reason why this Commission should not be furnished with details with regard to the existing rates, high and low, in different parts of Ireland?—No.

25,447. Do you think the materials exist for furnishing us with that information?—Certainly they do.

25,448. Where should we go for them?—You should go for the cess to the Grand Jury Secretary, and for the poor rates to the Local Government Board in Dublin.

25,449. Is the Local Government Board already in possession of all these figures?—Yes.

25,450. Would there be any difficulty, do you think, in obtaining from the counties the details with regard to the county cess?—No.

25,451. None whatever?—They are all printed; there are returns every year.

25,452. Therefore, there is no reason why this Commission should not be put in possession of the figures showing the charges for all the different chargeable areas in Ireland?—There would not be the slightest difficulty in it.

25,453. Now, with regard to the Dingle Railway, I understood you to say that that is such a railway as the ratepayers never bargained for?—They are not the first people in the world that have been taken in by promoters.

25,454. Is it such a railway as the ratepayers bargained for?—No, certainly not.

25,455. Is it such a railway, do you think, as between private parties would be accepted, or could be enforced,

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as a compliance with the terms of the contract?—I cannot say as to that, but I have here the accounts of the railway for different years.

25,456. In connection with the railway, besides the interest which is guaranteed on the guaranteed capital, is not the district held liable to make good loss in working expenses?—Yes, that is the heavy part of it.

25,457. And is it not already decided by the Queen's Bench that the cost of an accident is to be included in working expenses?—Yes, that is a point we never reckoned on.

25,458. Is it not the fact that a very serious accident, involving large loss of life and the destruction of railway stock and cargo, was due to the imperfect construction of the line?—Certainly, that is the report of the Government inspector.

25,459. Is it the fact that the accident in question occurred at the point where the Government inspector passed it as a totally different line from what it really was with regard to the radius of the curve?—Yes, the curve was a great deal more sharp than was originally contemplated.

25,460. But the ratepayers have to pay the whole of this?—The Treasury contributed something to that railway.

25,461. The ratepayers have to pay the whole of the loss on working expenses, have they not?—They have.

25,462. Is it a railway of steep gradients, I believe, and very sharp curves?—Very sharp curves indeed.

25,463. It has a curve, the highest which is permitted under the Board of Trade rules, all round Glas-na-Gail, has it not?—Yes.

25,464. (Chairman.) Before we leave that perhaps you will tell us what the date of the accident was?—1894, I believe.

25,465. Is that why you took 1894 in your memorandum?—No. The battery that I put in in that year, 1894, was not so much interested in the railway as the others; the bulk of the taxes is paid by the battery of Coligney. If you take the loss on working expenses every year—here are the reports—you will see it comes to very nearly the same every year. Of course, that accident was special, and I must say that the Government contributed to the expense, for they gave a grant of 4,700*l.* towards that accident, leaving 3,000*l.* to be paid by the ratepayers.

25,466. (Mr. Arthur O'Connor.) But the fact remains that on that particular district there was a charge of 10*l.* 8*sd.* in Traghonagh on the ratepayers?—Yes. Taking a year long after it, the loss on the working expenses for the half year was 1,200*l.*—that is three years after the accident.

25,467. With regard to Fend Fier, is there any charge upon rates for the repayment of money advanced?—Yes, it is very heavy.

25,468. Are you aware that wherever rates are pledged for the repayment of a loan the Government are now lending at 2*½* per cent repayable in 30 years?—I have heard so.

25,469. And that they are advancing money on these terms by the millions?—I wish they would give it to us.

25,470. And that they have also advanced millions in England on these terms?—I have heard so, but I cannot say it of my own knowledge.

25,471. Have you anything to say about this statement in your 11th paragraph—"50,000*l.* a year was saved by the Government through the disendowment of the Irish Church; this should be applied in reduction of local taxation"?—I think so.

25,472. Would you kindly explain what you mean?—Prior to the Irish Church Act the Government were giving a grant of 24,000*l.* to Mayothon since Fend Fier, and they were giving 70,000*l.* a year to the Freshwater. They paid them off out of the spoils of the Irish Church Fund, and, therefore, the Exchequer saved 24,000*l.* a year.

25,473. The Mayothon grant was capitalised, was it not, and paid off?—Yes, it was.

25,474. But it was paid off to the relief of the Treasury?—Yes.

25,475. And at the charge of the Irish funds?—Yes.

25,476. And no equivalent was ever paid over by the Treasury to the Irish funds?—Not that I know of.

25,477. Why do you say that should be applied to local taxation?—I do not think the Treasury had the right to take it from such a poor country for their benefit.

25,478. It is merely a suggestion of yours that it should be used for the relief of local taxation?—Yes.

25,479. When you say in your Table of Comparative Taxation "taxation per head in 1825, 2*½* *sd.*," what would that include?—I could not say at all.

25,480. Where do you take the figures from?—I got them from statistics furnished, I think, by the Irish Local Government Board which, I understand, were sent, in the first instance, to this Commission.

25,481. They are figures we have already had submitted to us by Mr. Robinson, are they?—Yes.

25,482. What do you say with regard to the standard year under the Local Government Act, was that a normal year, or was it a year in which the charges were higher or lower?—I think the charges were lower, but I cannot speak positively.

25,483. Anyhow, whatever they were, there have been, by the Local Government Act itself, charges thrown upon the ratepayers which did not exist before?—Yes, certainly so, they came very heavy in Kerry. I do not know that they came as heavy in other counties.

25,484. Statutory expenditure has increased the rate or the rates which existed before?—Of necessity.

25,485. You suggest that on that ground there should be some relief to local taxation from the Exchequer?—Yes.

25,486. You say also the taxation has increased in Ireland at the rate of 50 per cent?—So I have always understood, but I have not got the figures.

25,487. Your memorandum does not say from what date?—No; it is in my memory, that is all I can say.

25,488. At any rate, in the same period the increase in England has only been 18 per cent?—So I understood.

25,489. (Chairman.) What is the authority for that?—I forget at this moment where I took those figures from; it was in my lifetime I know; that is all I can say of the date.

25,490. (Mr. Arthur O'Connor.) Where do you get this about the rent per acre in England?—That is from Mulhall's statistics.

25,491. Does Mulhall show that where rent per acre in England is 1*l.* 1*½*–4*sd.*, the taxation is 18*½* *sd.* per head, and that where rent is Ireland is 10*½*–3*sd.* per acre the taxation per head is 1*l.* 13*½*–3*sd.*?—I think he does.

25,492. That includes Imperial as well as local taxation?—I suppose so.

25,493. If, therefore, Government figures show that the Imperial taxation in Ireland is less per head than the Imperial taxation in England, the balance due to local taxation must be very much higher in Ireland than in England?—Possibly.

25,494. The question, therefore, of local taxation in Ireland is, as regards the ratepayers, something very much more important and pressing than the question of local taxation in England?—Certainly; the local taxation presses heavier on the people of Ireland.

25,495. Is there anything else you wish to observe upon?—Lord Balfour seemed to think I had taken an exceptional year in taking 1894, but it is not very much different in other years. In 1894 the county rate was 5*½*; in 1895, 4*½* 1*½*.; in 1896, 4*½* 0*½*.; in 1897, 4*½* 1*½*.; and in 1898, 4*½* 6*½*.

25,496. It has gone up from 4*½* 1*½* to 4*½* 6*½*, since the standard year?—Yes.

25,497. (Mr. Clery.) On which rate does the loss on the Dublin Railway fall, the county cess or the poor rate?—The county cess.

25,498. Is the exceptional loss on that railway in 1894 was 6*½* in the *£*, how is it that does not appear in the rate?—That is not the exceptional loss; the 1*½* 6*½* represents the guarantee on the railway.

25,499. How much does a penny in the *£* produce in the history of Corkaguiney?—The valuation of it is 25,000*l.*

25,500. How much does a penny in the *£* produce?—In the *£* would be 1,250*l.*; a penny in the *£*, of

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Comparison
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at various
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Comparison
of taxation
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land and
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Dublin
Railway
Amount
of rental
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course, would be about 1904. I think the taxes for the working expenses of that railway come to 2s.

25,501. You had a net loss of 2,922l. in one year, and it would require 2s. 6d. in the £ to make up that loss; where does it come in, in those figures?—Half the loss on the Dingle Railway was on the barony of Corkaguiny alone.

25,502. You told me the penny rate produced about 100s. a year; half of this loss goes to Corkaguiny?—*Yes*—*Yes*, and half goes to the other two baronies.

25,503. That is 1s. 3d., where is the operation of the 1s. 3d. in the £ in those two rates you have just given me?—I do not exactly follow you.

25,504. If the loss upon the Dingle Railway which you have given us represents 1s. 3d. in the £ upon the barony?—*Yes*—Did I say that; I do not think so.

25,505. You state in your memorandum that it is 2,922l.?—*Yes*, in one year.

25,506. That requires a rate of how much in the £ to cover it?—2,922l. would mean 2s. 6d. in the £ in the three baronies; that would be 1s. 3d. in Corkaguiny.

25,507. Then where is the operation of the 1s. 3d. in the £ in those figures you have just given us, you have said that 1894 was not an exceptional year?—I said 1894 was not an exceptional year in the barony of Corkaguiny which I quoted. The chairman said I took 2s., and it was exceptional.

25,508. What years did you give us?—That paper gives you the figures for four years. (*Handing a document to the Hon. Commissioner.*)

25,509. I see from this that the county cost in 1894 was 5s.?—*Exactly*.

25,510. That is the highest?—*Yes*.

25,511. In 1895 it was 4s. 11d., and in 1896, 4s. 7s.?—*Yes*.

25,512. I want to know how they paid an exceptional loss of 1s. 3d. in the £ on these figures?—I never said, to my knowledge, that there was an exceptional loss of 1s. 3d. I cannot make it out. I am not aware where the 1s. 3d. comes from.

25,513. I read paragraph 5 as intending to represent to my mind, as a member of this Commission, that the particular district you refer to there suffered a net loss of 2,922l., owing to an accident on the Dingle Railway, which had to be made up by the ratepayers?—*Yes*.

25,514. You have just now told me that it was not paid in 1892, but it was paid in 1893, and in 1895 the county cost was less than it was in 1894; I want to know how you met the loss?—Do you not see that that was not entirely on the barony of Corkaguiny? Half of it was on two other baronies.

The witness withdrew.

Adjourned till to-morrow at 11 o'clock.

SIXTY-FIRST DAY.

Wednesday, 8th November 1899.

At St. Stephen's House, Victoria Embankment, S.W.

PRESIDENT.

THE RIGHT HON. THE LORD BALFOUR OF BURLEIGH, Chairman.

H. E. CLARK, Esq.

T. H. ELLIOTT, Esq., C.B.

ARTHUR O'CONNOR, Esq., Q.C., M.P.

E. O. SMITH, Esq.

ARTHUR WILSON FOX, Esq., Secretary.

T. LAWRENCE DAVIES, Esq., Assistant Secretary.

Mr. RICHARD BACWELL called and examined.

25,523. (Chairman.) We know that you are a member of the Local Government Board, but from a communication which you have made to me this morning, I understand that you would like the Commission to

reserve your evidence, not so much in your capacity as a member of the Local Government Board, but on the ground of your experience as a member of various local bodies?—*Yes*, and as a landed proprietor.

Mr. S. Murray Murray.
7 Nov. '99

Re-valuation is found. Griffith's valuations on the whole a good one and not desirable to have a new valuation of agricultural land

Mr. R. Lloyd.
13 Nov. '99

Mr. R. Lloyd.
8 Nov. '99

Mr. R.
Jury.
1854-55

not always does, but it is sometimes does, and it is done when it is asked for. These cases would be some guide, as far as they go, where the true value has been fixed; but I cannot right now.

25,548. On the one hand you would agree with what has been said by various witnesses, that the landlord's interest taken alone would be too low, that the landlord's interest plus the whole interest of the tenant would be relatively too high, but there is the mean between the two which you have just described as the true value which might afford a basis of comparison in those cases in which it has been fixed?—It might, and if you had a sufficient number it might afford some guide. Tenant right will vary in some districts from two years' purchase to 30 years' purchase; it is almost impossible to state what it will fetch.

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25,549. We have had it put before us that sporting rents are not payable at the present time?—Shooting rents are not, but fishing rents which are much more important in Ireland are taxable.

25,550. Shooting rents are not?—They are not. I mention in a note furnished to you that except in the case of grouse mountains there was little or no taxable shooting in Ireland.

25,551. Where there is it should properly be subject to rating?—Where there is, in principle it cannot be resisted, in principle it should evidently be subject to rating—where there can be no doubt of that.

25,552. Have we missed any point?—There is paragraph 10 of my memorandum and the question of the Reference to this Commission.

25,553. I omitted that because you do not seem prepared to express any opinion about it?—That is incorrect.

The witness withdrew.

Dr. JOHN FRANCIS O'BRYEN called and examined.

Mr. J. F.
O'Brien.

25,558 (Chairman). We understand that you are a member of the county council of Tipperary?—Yes.

25,559. You wish to make some representations to the Commission?—Yes. I was asked to attend and give some evidence upon the subject of local taxation, and I gave it at a great disadvantage, because I had a very short notice of it.

County
councils
not of

25,560. The first point that I understood you propose to say something to, is as to the useless expenditure in keeping up county infirmaries?—Yes, there is a universal agreement, I think, with regard to them that they are of no value at present, and that they are rather costly. About 1,000 a year it costs the county in County Tipperary, and I have confined my attention mainly to my own county.

25,561. Just let me clearly understand the position of your institution. I understand the position differs in different parts of Ireland. Is yours maintained under an Act of Parliament or under any Charter of Incorporation?—It is maintained under the Act of Parliament. There have been successive changes in the Grand Jury Act, and it is under that that it has been maintained, but the maintenance of it has been transferred to the County Council.

25,562. Can you tell me the precise obligations under which it is maintained at the present time, are you obliged to maintain it?—Yes, we are obliged to maintain it and to grant so much as was granted by the Grand Jury at the Proceedings Sessions on various occasions.

25,563. Is it in any way a part of the poor law system of the county?—No it is not. It is maintained by the county at large, that is the North and South Riding, for there are two divisions in it. Everything in the County Tipperary is contributed, or has been, in the proportion of three-fifths by the South Riding and two-fifths by the North, they being about the relative valuations at the time the divisions were made.

25,564. Why do you think this expenditure useless?—Because the infirmaries in connexion with the workhouses now are in a much higher state of efficiency than ever before maintained in it, and there is not any necessity for continuing it, seeing that it is costly. Then half the cost of supporting the workhouses and the workhouse hospitals, and paying the salaries of medical men, nurses, and so on, are met out of the Government grants.

during another subject, whether the things which are now only rated as holdings should be rated with more regard to the value of the business conducted there.

25,565. Have you any suggestion to make about it?—It is a subject which has been voted over and over again in every sort of shape and in every part of both England and Ireland. As Ireland is a country in which enterprise is always rather shaky, so to speak, where there is not so much enterprise as there might be, and where anything that at all tended to frighten capital away would be inadvisable, I have thought it right to mention that. Although it might possibly be for the interest of a limited class that there should be some addition, I should not be prepared to recommend anything of the kind, because I think it would drive away enterprise and do more harm to the country than good.

25,566. If you do not recommend it, I shall not put any question to you on it?—No, I do not recommend it.

25,567 (Mr. BOWEN). Arising on that, I should like to ask you whether you would be prepared to support a proposal that the enterprise you refer to should pay less than they do now?—I do not think that would be fair because it is fixed on the letting value; it is fixed on what the valuation authority thinks is a fair value. A brewer, for instance, is rated on what the valuation authority thinks would be a fair thing for another brewer to pay in case the brewer was sold.

25,568. You do not say that banks, breweries, and other concerns should pay less than they do now?—I do not think so; I should leave them alone and treat them the same as any other household. A shop is treated in the same way, and in the case of the shop the building is probably a larger part of the capital than it would be in the case of a bigger concern.

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25,569. That it is not in the county infirmary, is it?—No.

25,570. Just let me get the facts as to the county infirmary first. The county infirmary was maintained before the Local Government Act out of the rate and by the Grand Jury, was it not?—Yes, raised by a little by annual collections and donations given by a body who were called the Board of Governors. Then there were five governors also. They contributed or collected about 100 a year or 200 a year to the County Tipperary, and the contribution by the rates was about 1,000.

25,571. Can you give me an idea of the average rate per bed over a period of years which it cost to the county infirmaries to maintain the infirmary?—A penny in the £ will collect about 1,000, or the South Riding, the valuation of it being somewhat over 400,000; a penny in the £ will give about 1,000, allowing for cost of collection and failure to collect, and so on. Therefore the cost of maintaining it is not more than about three-fifths, or two-fifths of a penny in the £.

25,572. Is there any other point in regard to the county infirmary that you would like to put before us?—Yes. All the expense of keeping it up falls upon the ratepayers, whereas only half the expense of the union infirmaries does so, and even still all the cost of the treatment supplied to it falls directly upon the rates, and of course it is all now one rate, namely, the poor rate.

25,573. I thought you said there were subscriptions but for the rates?—Yes, there are—about 100 a year. But the Local Government Act has made a change in the powers of the government. They were held to give, formerly at least, mainly because they had the power of recommending petitions to it, now the Act says that the joint committee appointed by the two county councils and some members elected by the old board of governors, shall have the power of regulating admission. There has been a difference of opinion about that; and if the old governors and contributors have no power to recommend, it is stated that they will not contribute any longer. I may say I was one of the members nominated by the county council as a member of the infirmary committee; I do not wish to change much against the management, but the way in which the business is done, I think, is so entirely lax that it is impossible to continue them. They cannot keep within their income. The management is very bad. Is the County Tipperary they propose now to close up more than half of the infirmary; that is, of the beds in it. I

Dr. J. F.
O'Brien.

Dr. J. F.
O'Donnell.
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went through it, and there was only one patient actually in bed at the time. It appears to be entirely unnecessary. The patients were all out in the open air. I inquired of the officials, and was told that they were merely people who had had stomachs from tea-drinking, and so on, who had come in there to rest themselves—and it costs, as I say, over 1,300 a year.

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25,470. Your next point is as to the increased cost of lunatics, and, as you regard it, the injustice of having the Treasury rate fixed while the cost to the ratepayers is constantly increasing?—Yes. The number of lunatics, and the cost of maintaining them in Ireland, has increased immensely since the year 1880—I think that is the exact year. The number has increased from 250 per 100,000 to 447 per 100,000. If the number of more or less harmless lunatics at large be added, it will bring it up to 560 per 100,000; that is considerably more than double the number before. In addition, the cost of maintaining them is increasing very much. The Treasury contribution, or rate-in-aid, was 4s. per week per head to a maximum. According to old buildings got filled up, new ones had to be erected or provided. For instance, in Tipperary there was about 4,000s. spent on rather a temporary structure, a wooden pavilion, in which there were over 80 patients, I think. The accommodation is entirely insufficient now. I am a member of our asylum committee also, and there are over 700 patients in our asylum. Dr. Courtney, the Local Government Board Inspector, in his last report recommended or urged very strongly that a third medical man should be provided. There is no accommodation for him; even the second medical man there receives 50s. in fees of appointments.

25,471. What is your suggestion? I suppose I need hardly say that we all agree that this unfortunate class must be well looked after, and given the chance of recovering in three cases in which there is such a chance?—The Government contribution should not be fixed. The increased expense last year, for instance, over the year before of maintaining all the lunatics in asylums in Ireland—I am not now talking of harmless lunatics, of whom there are over 4,000 in workhouses—

25,472. What is your precise suggestion?—That the Government should continue to contribute. At present it is all practically taken out of the ratepayers' pocket, because the Local Government Act transfers to the local taxation account, which is practically a tax raised from the people at large, feeling that the license duties are the main bulk of it, over 800,000s. out of about 280,000s. —

25,473. What is the precise suggestion you want to make as regards the inevitable expense of maintaining and looking after lunatics?—That the Government should still continue to contribute a sum equal to at least half the cost of maintaining them. I think it unjust to have put their charge upon the local taxation account, which is already insufficient, and is certain to be exhausted, and there is a provision really made for diminishing the amounts given from it. That is made in the Local Government Act.

25,474. The administration is in local hands now, is it not?—The administration of the asylum is.

25,475. A considerable part, at any rate, of the cost depends upon the efficiency of local management, does it not?—Scarcely; I think not, because sanitary requirements, which were very little attended to or very little known formerly, are now increasing in cost and in extent. The old-fashioned places, workhouses, and so on, have all to be abolished, and expensive sewers constructed. The cost is increasing very much.

25,476. You do not put it to me that there is no difference between sanatorial and extravagant local administration, do you? It is in the power of the local people to be economical, and it is in their power to be extravagant, is it not?—Certainly.

25,477. Do you not think that there is some reason in the policy which puts the weight of expense upon the shoulders that have the management?—I think that applies less to a lunatic asylum than to any other, because the management there is almost entirely in the hands of the resident medical superintendent, and the committee never have, as far as I am aware—however, I am only a member of it during this year—interfered with his discretion. I think in that respect that there will be no tendency to extravagance.

25,478. Do you think that there is any essential difference between the management of lunatic asylums

on this side of St. George's Channel and on yours?—I have not been in a lunatic asylum—at least, only in a large remand-house; I have never been in an English lunatic asylum.

25,479. Also I understand that you want to speak about, as you regard it, the injustice of charging the cost of the administration of workhouses and remand-houses to the county rate?—Yes, but if I might say a little more about the lunacy question, I should like to.

25,480. Certainly, if you please?—I think it is altogether the most important one the county councils will have to deal with. I have calculated that if the increase goes on for 11 years longer, or 10 years over, at the rate that it has gone on during the last few years, or even taking it at the increase from last year to this year, that the entire amount of the agricultural grant payable to the South Riding of Tipperary, will be absorbed by the increase of lunacy administration alone—in ten years. There is about 27,000s. payable out of the agricultural grant, and that will be entirely absorbed. At the present time, the cost paid by the ratepayer is one-and-a-half times as much as the cost per head paid by the rate-in-aid, which is now transferred to the local taxation account.

25,481. Is there any other point you wish to bring before me?—I have here a Table prepared by the finance committee of the county council dealing with that and other matters which I would be glad to lay before you afterwards. It gives the relative cost paid by the ratepayer and paid out of the rate-in-aid. There is about 7,000s. at present paid out of the former rate-in-aid, now out of the local taxation account, and over 11,000s. in the demand for this year's expense to be met out of the rate. That is steadily increasing at the rate of about 800s. a year, but rising every year.

25,482. Increasing from what?—That is increasing every year. Next year, at its present rate of increase, it would be about 900s. more than 11,000s.

25,483. What is the cause of the increase? Is it increase in the number of lunatics, or is it increase in the demands on their behalf, or what is it?—There is a large increase in the number of lunatics. I have here a short article taken from the *British Medical Journal* of November the 4th on the same subject. There were 15,593 patients in asylums on the 1st of January, and then there were 3,000 admitted, and only about one-third of the number discharged, and so on. The number has been steadily increasing very largely.

25,484. What is the cause of that increase?—It is very difficult to say. It is a problem that is engaging the attention of all the medical men who devote their attention to that, and also of a great many others. But the additional difficulty of living, perhaps amusement of various kinds, political and otherwise, I think, has contributed to it; and the change in the food of the people has done a very large amount of mischief; all the poor people in Ireland now live upon tea and bread almost. They drink it too much, and they drink it without having milk or cream put in it for a great part of the year.

25,485. Are any figures available showing the progressive increase of those in asylums over a period of years that have passed?—Yes, I mention those from 1880. In 1880 the proportion was 250 per hundred thousand of the population, and now there are in the asylums 447 per hundred thousand; that is last year.

25,486. (Mr. Elliott.) Are those figures for the whole of Ireland?—They are for the whole of Ireland.

25,487. Ireland only?—Yes. All over Ireland there was an increase of 114 during the year 1898.

25,488. (Chairman.) Would you feel inclined and able to express an opinion as to whether more careful and more exact classification of lunatics, and the drawing of them into asylums more than was the case in times past would account for any proportion of the increase of lunatics, or do you think it is really an increase, an actual gross increase of lunacy?—It is an actual gross increase of lunacy. No doubt there are new people sent to asylums who formerly were not, but all those things have been allowed for in the calculations. More people are now sent into lunatic asylums who need to be detained in the workhouses; those are put down always as first admissions, even though they may have been in the workhouses for a considerable time. But even allowing for that, the increase is very great.

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25,616. Is it unfair that the man who does not pay should be disfranchised?—I do not say that. I do not go into that; but I point out that it will have the effect of disfranchising them. What I wish to point out is that all this rate must be collected next year off the people who have paid this year, making thereby an addition, and that it will amount to one-fourth the amount that we receive from the agricultural grant, and that in this way the burden upon the ratepayer will be immensely increased. The property owner as that very loss got rid of all his liability. He formerly paid the poor rate; he was bound by law to pay the poor rate on any place valued under 4*l.*, at and under; now he is not bound to pay any, and consequently he is relieved, not alone of his half of the poor rate, but he is relieved of this half in addition, which he paid before, and it is thrown upon the occupier. I think that is a very great injustice in the Act, seeing that, as I say, it amounts to one-fourth in the county of Tipperary of the benefit to be derived from the agricultural grant.

25,617. I am inclined to suggest to you that the point which you wish to put about the question of graduation and penalties to officers introduced to councils is hardly within the Terms of our Reference?—I thought that in only because the sum demanded by the baronet's collectors amounts to over 5,000*l.*, and it will have to be provided out of the rates.

Money borrowed from the Board of Works as the security of local rates should not pay a fixed rate of interest.

25,618. That is scarcely within our Terms of Reference, I think. I should like to understand clearly the next point you wish to put, as to the injustice of paying a fixed rate of interest on money borrowed on the security of local rates, and not varying it with the cheapness of money?—That has reference principally to money borrowed for the construction of railways.

25,619. Government money?—Yes, money borrowed from the Board of Works. In our county in the South Riding there is 2,712*l.* paid annually by two baronies; that money is borrowed at 5 per cent. from the Board of Works.

25,620. What was the date of that?—In 1874 or 1875 it was borrowed, and the Board of Works have since (in 1884) issued the railway.

25,621. Since that time the rate of interest on good security has been going down?—It has been going down very much, and the money might now be borrowed, including a sinking fund, for about 4½ per cent.

25,622. Supposing money was borrowed now at a higher rate of interest, and the operation of things was the other way, do you think there would be a demand to vary it according to the rate of money as it got dearer?—Naturally not by the people who have to pay.

25,623. Obviously you could not have a bargain that the interest was always to go down if money got cheaper and never to go up if money got dearer?—I do not suggest any such thing, but the advantage is entirely on the side of the body who, some 26 years ago or 15 years ago, lent money at 5 per cent. not including sinking fund. The tendency, except for the late rise, owing to foreign complications, has been for the rate of interest to go down very low. The French Baron Rothschild is credited with saying that millions would not produce 4,000*l.* a year in 50 years time.

Lansbury, a baronet of in Ireland? Cause of this decreased.

25,624. (Mr. Arthur O'Connor) With regard to the increase of lunacy, it is true that there are now sent to the asylums in England more than there used to be?—In England there are, but not in proportion to the number, I think, in Ireland.

25,625. Are there cases now sent to asylums in England which formerly used to be treated in the workhouses?—Probably there are.

25,626. Making allowance for those two classes in the case of England as in the case of Ireland, is it not true that there is a steady and substantial increase of recorded lunacy in England also?—Yes, but not at all in proportion to the rise in Ireland.

25,627. The fact being that in Ireland, I suppose, there has been through the emigration of the reproductive portion of the population an accumulation of the decreed and the old and weakly in the country proportionately?—Yes, but in my experience it is not those people who become insane, but young people. I have asked frequently in the capacity of examiner of estates when they have been brought up.

25,628. I do not know whether you see my point?—I think I do. I say it is not the old who are going into the lunatic asylums.

25,629. By comparison of the effective, the reproductive portion of the population, the proportion of the non-productive, of the imbecile, and the affected becomes large in the community?—I do not think it is that which has led to the increase of lunacy.

25,630. Is it a fact?—I do not think so.

25,631. I do not know whether you quite understood me. If you draw away a large proportion of the productive elements of a community, does not that which is left behind present a larger proportion of the ineffective and the affected than before?—Ineffective, yes, but not mentally unsound—at least, not that I have any knowledge of; and then I met that by saying it is not people of that kind who cause the increase.

25,632. Is that one, as you have admitted, would not the average healthy reproductive power of that community be lowered by reason of that increased proportion of the affected and weakly?—Yes, no doubt.

25,633. Would it not be one of the natural consequences of such a state of things that you should have a large manifestation of affliction?—I do not know that.

25,634. To what then do you ascribe the increase of lunacy in Ireland?—I answered that, perhaps, before your arrival.

25,635. To a change of diet?—Very largely to a change of diet. It is, I think, the almost unanimous opinion of all medical men who have spoken or written on the subject that the change of diet is the largest factor. Then the difficulty of living, the increased strain upon people, and a certain amount of excitement, political and otherwise. But I give them in the relative order now; it is change of diet now that is considered to be the chief—that is, relying upon tea and bread, and generally tea without the addition of milk, or very largely so. My experience is that it is not the old or the weakly, but the young and strong who become afflicted. I can only recall one exception that came before me that I had to deal with, who was a person naturally imbecile; all the others were young and strong people, physically healthy, robust men and women.

25,636. I understood you to suggest that the increase or the addition to the lunacy records is of persons who were naturally strong and born healthy, and had become insane in consequence of inferior diet or unwise habits, or excitement?—Yes. Of course there is a tendency to insanity, but that may never become developed if circumstances do not tend to bring it out.

25,637. You mean as hereditary tendency?—Yes; that, of course, is universally recognised, and one of the most frequent causes of it is the marrying of too near relations—in-breeding—that has caused more hereditary insanity than any other three or four causes probably put together.

25,638. Do you say that takes more in Ireland than in any other country?—I do not think it does.

25,639. Then it will not account for it. With regard to the rating of machinery, would you propose to rate engaged instruments?—I do not think the tax would be worth levying or raising.

25,640. But in principle what would be the difference?—Surgical instruments are not of any cost worth talking of. The machinery is the great thing in the building; the building is for the machinery, not the machinery for the building, whereas the surgical instruments are merely an adjunct of a medical man's practice, and a very small one in most cases.

25,641. Would you make any distinction between fixed machinery and driving machinery?—There is such a distinction made, I believe. The only machinery that is rated in England is that which is used for generating power, such as the engine; but all the machinery that is used in the production of whatever fabric is produced in the place, I think, ought to be remunerably rated, allowing for depreciation, wear and tear, and so on.

25,642. Would you regard it the same as a counter in a shop?—Not quite. A counter in a shop is merely a piece of timber, which plays no part whatever in the business that is done there, whereas the machinery does all the business. The building, as I said, is erected to use the machinery, and it is the great factor in the value of the place; whereas the building is only slight.

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Machinery should be rated.

25,613. (Mr. Clere.) I understand, under the Local Government (Ireland) Act, county councils are compelled to keep up the old county infirmaries?—They are.

25,614. And that even if a county infirmary is found by experience to be useless, or most dear to maintain, the county council have still to continue to contribute the same amount as they did in the standard year?—Yes.

25,615. So that you may be contributing to an institution which really is of very little use?—Yes, that is the present state of things. They are kept up at double the cost, relatively to the dispensary or the workhouse, which is across the road, seeing that half the cost of those two institutions is paid out of the Local Taxation grant, and none of the other is.

25,616. With regard to the lunatics, is it the duty of the county council, not only to provide the buildings for the reception of the lunatics, but also to pay for their keep as well?—Yes.

25,617. The guardians of the poor do not pay for the keep?—They do in workhouses.

25,618. Perhaps I do not understand the method. I will tell you what happens in England. In England the county council provides the building, but the guardians of the poor for each union pay the cost for each inmate sent from that particular union?—To the lunatic asylum?

25,619. Yes, they pay the cost of the maintenance; it is charged to the poor rate, and the cost of the establishment and of maintaining the building is charged to the county rate?—There is no such distinction now in Ireland.

25,620. It is all thrown upon the county rate?—Yes.

25,621. The maintenance of the building?—And the providing of the buildings.

25,622. And the maintenance of the inmates?—Yes; and there is a very pressing call upon us now to provide land in order to employ the healthy able-bodied, and there is a large number of them among the 700 or odd that are in our asylum. They say they require about 25 acres of land; and that will cost 150*l.* an acre, I am quite sure.

25,623. Do you mean harmless imbeciles, epileptics for instance?—Yes, and the various kinds of able-bodied inmates of asylums. There are over 150, if I am quite right; I have the report here and could give you the exact figure.

25,624. Do you think the fact, that the cost of maintaining lunatics is thrown upon the county rate induces the guardians to send as many of their workhouse inmates as possible to the asylums?—They have not the power of sending to the asylums.

25,625. What I mean is, that whereas they would have probably kept the harmless imbeciles, or cases of senile decay, in the workhouses because it is cheaper than the asylums, they now try to get them committed to an asylum?—No, I do not think that enters into it.

25,626. It does not happen now?—No; they always wanted to get rid of them, because in our workhouse that I have over been—and I have been in 20 or 30 at least of them and gone through them—was there ever proper provision; they are usually in sheds in a most wretched condition, erected up against the boundary walls. They were always anxious to get rid of them, but the asylums refused to receive them, inasmuch as they must be certified to be dangerous lunatics before they can be admitted to an asylum.

25,627. (Mr. Arthur O'Connor.) Excuse me, what is your asylum in Tipperary; is it Clonmel?—Yes.

25,628. Is that the only one?—Yes, that is the asylum for the two Ridings, North and South.

25,629. (Mr. Clere.) With regard to the rolling of machinery: you merely express your own personal opinion that machinery in some shape or form should be rated in conjunction with the building?—I think that is the general opinion.

25,630. Of course, naturally, you would not be so exact upon that particular point?—No, and I do not profess to be.

25,631. What do you mean by, "The imposition of a peyote fixed rate of interest on money borrowed on the security of local rates"?—I do I understand you

to mean, that where some insurance company or individual lends your local authority money at 5 per cent. on a perpetual annuity, you would suggest that the rate of interest should be reduced, and meant it to apply only to Government advances. This is a Government advance from the Board of Works.

25,632. Your suggestion is, that the Government might very fairly allow you to pay off mortgages at a high rate of interest, and to take money under the more favourable terms that you can get to-day?—Yes, seeing that they are granting them for other purposes. The one that exists in our county means a rate of 5*l.* in the £ on the two borrowings, and it is felt as a very great hardship, because the people who are paying it never get the benefit, as the railway was never constructed on which they gave the guarantee. However, that is beside the question. There are a very large number of other charges also thrown upon the county council now, such as paying the superannuation of the prison officials, pensioners, and so on, which we also think to be very unjust.

25,633. But you only pay such preparation of it as does not fall upon the Treasury funds, is that not so?—None of it is paid by the Treasury, that I know of, in Ireland. There is the salary for the sub-sheriff, and then there are very large demands made upon us for printing for the Quarter Sessions Office, a matter with which we have nothing whatever to do. This amounts to hundreds of pounds. Then there is the printing of the jury lists, and so on, and the conveyance of criminals and warrants for consigning to prison. We have no power over the prisons, not even to appoint a visiting commission, and we consider it absolutely unfair to be called upon to pay any part out of the local rate for the administration of justice. That ought to be met out of the Imperial funds.

25,634. What I understood to be the general gist of your evidence is, not that the system of the valuation of property in Ireland is inequitable; not that the method of collecting the rates requires much alteration; but that under the Local Government Act of 1858 increased charges have been thrown upon the county rates which you think a hardship?—Yes, and which are felt to be a very great hardship.

25,635. (Mr. Smith.) Is it likely that you will have to shortly extend the buildings of your asylum?—Yes. It is declared to be overcrowded by the lunacy examiner who was recently here, Dr. Connelley.

25,636. That would involve very considerable expense, of course?—Yes. There is one way of abating that, and it is being considered at the present time. There is a provision in the Act for making what are called auxiliary asylums. The way in which that could be done was to convert the county infirmary, or one of the workhouses, which it is proposed to close up, into an auxiliary lunatic asylum, and to transfer to it the more harmless cases.

25,637. That is exactly the point I was coming to; could not your county infirmary be utilized as a subsidiary lunatic asylum?—Certainly.

25,638. That would be a considerable saving of expense?—Yes. The grant in that case, however, would be only half the present grant—instead of 4*l.* a week for each inmate it would be 2*l.* a week.

25,639. Supposing it were adopted by the Government as an auxiliary lunatic asylum, it would be 4*l.* a week, would it not?—Any extension of the present one, or any building immediately under the charge of the resident medical superintendent, would be considered to be part of the present asylum; but any outside buildings taken up would be auxiliary, and would receive only half the grant.

25,640. Might it not be a separate asylum and receive a separate grant?—There is no provision for that.

25,641. I suggest that because many counties have more than one asylum, and certainly one county (I think that I am acquainted with, has three asylums. To what do you attribute this extraordinary development of bed-drinking in Ireland?—You have got very cheap, and sugar for sweetening it is also very cheap. Formerly it cost three times what it does now. Nevertheless the poor people almost invariably drink the highest priced tea that they can buy.

25,642. What food has it taken the place of?—Of potatoes, milk, and so on, and, in the famine year, star-bread—Indian meal.

Dr. J. F. O'Regan.

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Board of Works on the security of local rates should not pay a fixed rate of interest.

Valuation of property in Ireland. System is inequitable.

Lunatic Asylums.

Lunacy. Causes of.

Dr. J. F. O'Shea. 25,672. Much more nourishing food?—I do not think it—was very good, and, of course, potatoes are not sufficiently nourishing in proportion to their bulk.

25,673. (Mr. Elliott.) Just a question with reference to that point. I notice that in your evidence you have referred more than once to the change of food. Would you say that the food now is inferior to what it formerly was?—Yes, it is very much less nourishing, and more stimulating. Tea taken continuously, without a due proportion of solid foods, is destructive of the nervous system.

25,674. Is it cheaper food?—Yes, it is cheaper, and it is very readily prepared. Even a very small fire, in a few minutes, will boil a small kettle, and then they have tea on the instant; and they tend to drink it continually. In Australia, where I have been, they drink it to a tremendous extent also; but, then, they eat largely of solid food. Even so, I have seen a good many people in Australia, and seen those who have returned from it with their stomachs and nerves system seriously ruined from excessive tea-drinking.

25,675. Is that change of food concurrent with any change in the wages which these persons earn?—I do not think it is. The rate of wages went up very much about 25 years ago. They were higher then than they are now; one-and-a-half times as much. I think it has nothing to do with the wages; the poorer, and those who are earning the least, will drink tea, and nothing but tea.

Money borrowed from the Board of Works as the security of light rates should not pay a fixed rate of interest.

25,676. Our question with reference to the rate of interest charged on loans made by the Government to the local authorities, has it occurred to you that the Government are in a stronger position, namely, that they themselves have borrowed money at a higher rate of interest in order to make those loans, and that they could not without loss therefore consent to the repayment on other terms?—The Government have the power to do so, and have done so. When Mr. Goschen was Chancellor of the Exchequer he cut down the interest very much, so that now practically the Government only pays 2½ per cent.; there are some consols at 2½ per cent, which formerly paid 3 per cent. They have taken the power of reducing their own interest. The Government's indebtedness is mainly in consols. I am not a financier, and I merely speak from general knowledge. We think as the Government can get the money so much cheaper now and have the power to reduce the amount of interest they pay, that they ought also to reduce the burden that the ratepayer has to pay thereon.

25,677. I rather gather from the reply you made to a question put to you that this grievance, if it be a grievance, arises mainly in respect of the loss on light railways; is that so?—On railways.

25,678. For what terms of years were those loans granted?—About 26 years; there are 11 or 12 years, I am not quite certain which, in this case—

25,679. Still unrepaid?—Yes.

25,680. But the whole term was 26 or 30 years?—Yes.

25,681. You anticipate the light railway itself will last longer than that, do you not?—It is not a light railway; we have not any light railways. I believe the money was only lent for them in what are called distressed districts.

25,682. It is an ordinary railway?—Yes.

25,683. Do you not suppose that the life of that railway will be very much less than of the 26 or 30 years?—It has been kept up, and it is worked now under an agreement by the Waterford and Limerick Railway with the Board of Works, who acted on it owing to the non-payment of money.

25,684. Has it occurred to you that you might get much more relief by asking for an extension of that period rather than by a reduction of the rate of interest?—I have not entertained that.

25,685. You have not thought of that?—Not of extension. In principle I am opposed to that. I think a government ought to pay its liabilities, because the next one is certain to feel it more.

25,686. Even although two generations enjoy the benefit?—They do no doubt, but they have their own claims. I think 25 or 35 years is long enough.

25,687. (Mr. Arthur O'Connor.) What railway do you speak of?—It runs from Thurloe to Clonsilla, entirely through the South Riding.

25,688. What is the name of it?—It is called the Southern Railway. It is about 24 miles long. I may say the matters in connexion with it came largely before the Hybrid Committee of last session particularly.

25,689. It is leased to the Waterford and Limerick Railway?—Yes, by the Board of Works.

25,690. But the Board of Works have taken possession of the undertaking under their powers as mortgagees?—Yes, because the interest was not being paid.

25,691. So they are mortgagees in possession, then?—Yes.

25,692. Are you still paying interest?—We are still paying interest, and it entails a rate of 3d. in the £ on the two last-mentioned. A barony is a division of a county which you have not in England. There were twelve in the entire county of Tipperary.

25,693. You need not go into that; we are aware of that; but with regard to this loan, could you not manage to raise the money at 4 per cent. from the bankers, and pay off this 5 per cent. loan?—Our difficulty would be to get security.

25,694. The security is the rent?—I do not know whether we could charge them; I do not think there is any power. There is power to create stock and to borrow money, but I do not know whether that would be a separate question.

25,695. Could you not, then, afterwards borrow at 2½ per cent., repayable in 30 years, from the Government?—I dare say we might, we may borrow, at 3 per cent., from the banks.

25,696. And pay off the bankers?—I do not know whether we could collect that money afterwards; I am not sure. That, I believe, is a legal question.

25,697. You have not considered it?—I do not think I am competent to consider it. Our rules will be very much higher next year; we have all arrived at that conclusion.

25,698. I am afraid that is a very general complaint?—Yes.

The witness withdrew.

Mr. ROBERT COTTE called and examined.

Mr. R. Cotte. 25,699. (Mr. Arthur O'Connor.) I believe you represent the Limerick County Council?—I cannot say that I represent them. I have been deputed by them to appear before you, but the evidence I sent over to you I did not read before the Limerick County Council; so whether they would all agree with it or not, I cannot say.

25,700. Now, the draft of the evidence* which you have submitted is divided into a number of paragraphs. The first relates to a revision of rating, the valuation of land and other property; will you kindly tell us shortly what you have to say about that particular point?—I think that the fair rent ought to be a taxable rent, because it is the benefit derivable from the land, and it has been adopted as after examination of very competent witnesses, and by a competent court, that is the Land Court. If you want to put on another assessment, I do not see that you could go in a better

way to find out the value derivable from the land than by the way the Land Court have done it.

25,701. Out of that answer arises naturally this query: what is it that you think is to be valued?—What is to be valued?

25,702. Yes, what is the thing which is to be valued?—The profits arising from the industry.

25,703. Then you think it is not the farm in an agricultural district but the profits of the farmer that is to be rated?—Not the profits of the farmer, exactly; but the profits arising from the land that he farms.

25,704. Supposing a man holds a farm—one-half of his own fee simple property, and the other reversion by him, he would you propose to value that for rating purposes?—I am not sure that I ever met a case of that sort before myself, and I may not be competent to answer; but I rather think that I would value each on the gross profits.

* See p. 811.

25,705. I suppose you would be prepared to agree that the circumstances of farms vary immensely throughout the country, and even in the same district?—That the interests vary?

25,706. That the circumstances and conditions of farms vary very much?—Yes, they do vary very much.

25,707. What then would be your principle which would be applicable as a general rule throughout the whole country with regard to the rating of farms if people is to be taken?—The fair rent I should say would be the fair taxable article to go on.

25,708. But the fair rent is a thing which is fixed as between the landlord and the tenant, and may be altogether removed from the actual value of the farm as an entity?—From the actual value.

25,709. The relations between landlord and tenant vary on different farms?—But the fair rent also varies in different places throughout the country, according to circumstances.

25,710. Quite so, but that may depend very much upon who made the improvements and the value of the improvements?—I do not see that that would alter the case.

25,711. Supposing that there is a very valuable farm which has been made so by the capital and the industry of the tenant and is worth a thousand a year or five hundred a year—the greater portion being due to the capital and industry of the tenant—and the fair rent of that farm by reason of the tenant having proved those things being comparatively low; would you value that farm on the rent alone?—I would, because the case you assume is not applicable to Ireland. Whatever amount of money is expended in the improvement of land in Ireland becomes confiscated by the landlord even under the Land Commission Court. There is no such thing as farmer's improvements being taken into account. That is my experience.

25,712. I am afraid I can hardly take that from you, because it is distinctly against the letter of the law?—But I have had a case that I know, that is my own case. I expended 3,000*l.* of my own money, on a farm in draining it; when I went to a Land Commission Court to have a rent fixed, I have it in the pink schedule that I got from the court, that the improvements are to be the landlord's and I am to continue to pay the money to the Board of Works.

25,713. You failed to prove that you had made the improvements?—I made them, and they are there, and I may say for them if that is not proof, I do not know what is.

25,714. You failed to prove that it was you who made the improvements?—I do not know why they arrived at the conclusion.

25,715. I am afraid we shall not be able to make much out of that then. Other property you say should be rateable according to profits?—Yes.

25,716. What do you mean by other property?—I mean the profits arising from whatever industry or business it would be.

25,717. What do you understand by the word "property"?—Other property.

25,718. What do you understand by the word property?—Private property. I call property anything arising from any industry, or from any professional calling.

25,719. Take bakers' bread, do you mean that to be property? Do you by "property" mean what is called real property, land and houses?—I do, and personal also.

25,720. Very well; then we will take the case of bakers' bread?—Would I call that property?

25,721. How would you deal with that? It is property, because you say personal property is included in your definition?—I take it as an article that there are profits likely to arise from, and these profits I deal with.

25,722. You would assess him, I suppose, with regard to his local habitation?—Supposing I found a bakery, and it was valued at present at 40*l.* or 50*l.*; if I found it by some means or another—and that would be for the Commission to find, or the Government—that the baker was reaping a profit from that of 300*l.* or 400*l.* a year, I would assess him on the 300*l.* or 400*l.*, or some portion of it.

25,723. Now, suppose there were two bakers, each valued in respect of his bakery at the same sum, 50*l.*

and the one was making 300*l.* or 400*l.* a year, and the other was merely going into bankruptcy; would you make any difference in the valuation?—Decidedly I would; certainly.

25,724. In the valuation of the property assessed in your district?—I would.

25,725. In other words, you would turn the rates into a kind of income tax?—Well; on that principle.

25,726. (Mr. Smith.) What justice would there be in making a professional income pay to local rates?—Twice as compared to what other contribution? As compared to the farmer, is it?

25,727. I have taken the case before. How would a public stager, carrying a large fortune by staging, be benefited by the expenditure of local rates?—That is with regard to staging. I cannot give an opinion on that, but with regard to professions I can speak.

25,728. That is a profession, you know—a musician if you like?—It is one that does not come under my observation. I would rather deal with local matters.

25,729. Take the case of a professional man living in the country and carrying on his business in the capital; have you considered that case?—I have.

25,730. Would you rate him for local purposes?—Certainly.

25,731. Why?—Because he derives an income, say, locally.

25,732. No; he practices, I said, in the capital, say in Dublin, he lives in the country—what justice would there be in making him contribute to the local rates where he lives?—I come from Limerick County, and we have no such case as that arising.

25,733. But take it from me that such cases do exist?—I cannot give evidence on an assumed case.

25,734. You have not considered all these various questions?—Not with regard to the case you have put, but with regard to the local petitioners I have. I would like to give a reason why local petitioners of all descriptions should be rated. It is for the simple reason that they enjoy the benefits that everybody else does by the payment of local rates, such as county cess; they have the use of the roads; and that they are so much accountable for the pauper's maintenance as anybody else ought to be. Then they get their incomes simply by working for them, the same as the farmer does. The farmer has got to deal with the tax himself the same as the professional man; and if he does not make it produce something, he need not pay anything on it, because he will not have it. It is the same with the professional man.

25,735. (Mr. Arthur O'Connor.) Have you anything more to say upon that point?—No.

25,736. Now, we will take paragraph 2, where you suggest a ten-years revision of the valuation; have you any particular reason why 10 years should be selected, rather than five?—I was considering the matter, and I thought first of a revision because I hated the assessment on the fair rent. That comes round every 15 years in Ireland, but I consider that too long, both for the fixing of fair rent, and for the alteration of valuations, because the agricultural produce varies very much, and very quickly now—in from five to ten years. That is the reason I would take ten years, or even less.

25,737. I am asking you why you say ten, rather than five?—I say ten because, if you had it every five years, I am afraid it would create too much of a riot, and too much expense. Ten years might be quite good enough.

25,738. You also suggest that data for local should be prepared by the Land Commission, or based on information obtained from them; but with regard to personal property the valuation should be made by the Commissioner of Valuation, with local information?—Yes.

25,739. Would you kindly tell me how you would suggest that the Commissioner of Valuation could, from local information, be able to assess personal earnings?—That is my idea.

25,740. How could the Commissioner of Valuation assess personal earnings from local information? If you were Commissioner of Valuation, and had to assess personal earnings in the county of Antrim, how would you do it?—My idea was, that the Commissioner of Valuation should have a competent staff to look after

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the business, say, like the Surveyor of Taxes; and then that the local rating authority, which would be the county council, or the district council, would be able to offer further information to the Commissioner of Valuation, sitting for the purpose of finding out what a man ought to pay on personal property.

25,741. Then you would make the local rating authority an authority with power to inquire into the personal profits of every person within their district?—Well, power to inquire into it? Well, to offer some information that could be obtained by these local authorities?

25,742. They could not get the information if they did not inquire, could they?—Perhaps from some local information, from the facts that they would see passing before their eyes every day, they may be able to offer some suggestion to the Commissioner—that is, if required.

25,743. Do you think that would be an adequate basis for the valuation of personal property?—It is merely a suggestion.

25,744. Now take paragraph 3, there you say that town property is not rated equitably; what do you mean by that?—I mean that there is a greater increase in town houses and that sort. I mean it is not rated equitably compared with the rural districts, say with the ecclesiastical land.

25,745. Is there any disparity between the valuation for rating purposes of houses in towns and the rents actually paid for those houses?—I know nothing about that.

25,746. Are the houses in the City of Limerick valued up to their average rents, or is there a great deal of difference between the average rents of houses in Limerick and the valuation?—I have no information with regard to that.

25,747. Perhaps you know at any rate with regard to one particular house in Limerick; are you well acquainted with regard to any one particular house in Limerick?—Not one.

25,748. Do you live in Limerick yourself?—No, I live in the country, I am a farmer.

25,749. You do not know anything at all about the rent or the valuation of any particular house in any town?—In any town, I do not.

25,750. Then we will pass that paragraph?—What I do know is this: I have said town property is not rated equitably; what I mean is that in rural districts, land and the occupiers of land are over-assessed with regard to the assessment. For instance, I am a farmer, and I farm 350 acres; I pay the local rates on a valuation of 574.

25,751. That, I suppose, is your fair rent, is it?—It is that your rent fixed by the rates?—No.

25,752. What is your rent as fixed?—My rent would be over 500, but it is not what you call a fair rent, because it is a rent that has been existing for years under an old lease. You know I hold different farms, and there are different rents on them.

25,753. Then the application of your principle of paragraph 1 might be a little difficult in your own case; go on with what you were saying?—I pay local rates on a valuation of 574. I went to the trouble of getting a list of 43 of the best houses in Kilmallock, which is a good town; and the gross valuation of those 43 houses is 5,521.

25,754. Do you happen to know approximately the rent of those 43 houses?—I do not know the approximate rent, but I will tell you that they include apothecaries, books, hardware and provision stores, coachbuilders, drapery, public-houses, butchers, undertakers, hotel and posting yards, workshops and construction premises.

25,755. You are giving us the smallest now, are you not?—The largest in Kilmallock—the best houses in Kilmallock—43 of them, the most highly rated and the most important business houses in the town of Kilmallock—wholesale water footmills, and electric power, would be about paying on an average 50l. less than I am as a farmer. I think that is very unfair. It looks as if a farmer, with a few hundred acres of land, was getting as large profits as a whole town.

25,756. Kilmallock is your town, I presume?—Kilmallock is my town—any rural district.

25,757. And you have not been able to ascertain even approximately the rents paid by those 43 houses?—No, I do not know any rent they pay.

25,758. But at any rate you assume—I make no doubt, perfectly correctly—that the value of those houses is collectively a great deal more than the 5,521?—That is the actual value.

25,759. The letting value?—I do not know about the letting value; I am sure it must be more than that.

25,760. That is what I am putting to you—you are persuaded it is more?—I cannot say decidedly, you know, that it is so, but I assume that it must be so.

25,761. Would the average rental of those houses be 20l a year?—That is a question I would not like to answer, because I have never asked a man what his rent was.

25,762. I am asking you to exercise your own judgment?—My judgment would be 20l on an average round? I suppose it would hardly.

25,763. It would not?—There are some bank premises there you know, that would be 50l or 60l, I am sure.

25,764. If it would not, then the disparity between the valuation and the rental is not so very different from your own case, because you appear to be valued at less than your rent?—It may be so, but then the profits arising out of those 43 houses, as compared with the profits that I will have out of my farm, would be 50 times greater.

25,765. Your fundamental principle being that it is profits and not fixed property, land or houses, that ought to be assessed?—I think that would be my idea.

25,766. That is your fundamental proposition?—I cannot see how you can say because a man has a lot of green fields and is getting nothing out of them why he should be paying rates out of them.

25,767. (Mr. Smith.) You know, of course, that that is not the principle of law which obtains at present?—I am aware so.

25,768. The rate is on the occupation value and not on the profits?—I know that.

25,769. You suggest that that should be altered?—I do.

25,770. (Mr. Smith.) Is there any difference in the rates paid by those 43 houses and the rates that you yourself pay?—None. There was until we had rates raised; they paid within their division of Kilmallock, and they had a higher rate than I had considerably; but under union rating now, their liability has stretched out to me and to all men like me in the country. I think that is very wrong.

25,771. What you say is that you, occupying a single farm valued at about 574, and certainly not making profits of more than that amount, pay as much to the local taxation as the occupiers of all those 43 houses put together?—And a great deal more.

25,772. And a great deal more?—Yes, because they are 5,521 and I am 574. I could add seven houses more, I believe, of the most important, that would bring it up to 50 of the best houses in Kilmallock, and that includes the whole lot of them I may say.

25,773. Do you say that their ability to pay towards public burdens is immensely greater than your own?—It is immensely greater.

25,774. Now, with regard to the other side of the question, namely, as to the benefits received by the expenditure of this local taxation—as a farmer, do you receive as many benefits from that expenditure as those 43 occupiers do?—From the expenditure for the poor law and county charges? I receive none whatever, they receive all I would say.

25,775. As regards your urban expenditure on lighting and the making of footpaths and work of that kind, do you receive any benefits as a farmer?—None whatever.

25,776. It does not help you to carry on your business?—Except the accommodation that I receive by the use of them, but that is equally shared by all.

25,777. Does it help you to carry on your business as a farmer any better?—Does it help me?

25,778. Yes?—Do you mean the public roads or the expenditure?

25,779. I am not talking about the public roads now, I am talking about the urban items of expenditure—

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Valuation of property should be made on the basis of profits earned.

Valuation of agricultural and town property compared. Comparison of town property and rural property. The rates paid by those 43 houses and the rates that you yourself pay. The rates paid by those 43 houses and the rates that you yourself pay. The rates paid by those 43 houses and the rates that you yourself pay.

lighting and footpaths?—It does not assist me in the least.

25,780. It assists them, does it not?—It does, because the people earning this money that is expended, it is to them they will go to spend it, and not to me.

25,781. These 43 occupiers get some return for their payments, for instance, they enjoy the lighting, do they not?—The lighting?

25,782. Yes?—There are no public lights in Kilmallock.

25,783. (Mr. Arthur O'Connor) Kilmallock is a nice prosperous little town, is it not?—Very.

25,784. Is it not an advantage to a farmer to have such a market for his farm?—An advantage? Well, it is not much of a market town.

25,785. Kilmallock not a market town?—Not much, I say, of a market town. There is a fowl market, and that sort of thing.

25,786. It is a very fine agricultural district, is it not?—A splendid agricultural district, but all we get from it at present is meat and beef and mutton, but we send those not to Kilmallock.

25,787. Is it a market town, is it not?—It is a market town.

25,788. Have you anything to say with regard to paragraph 4, as to the way in which the poor rate is estimated?—That is altered now by the Local Government (Ireland) Act.

25,789. I think we may strike it out, may we not, then?—Yes, you can strike out paragraph 4, but I could give you some information I think with regard to how the thing is done now, if you require it, under the county council, but it is not material, I should think.

25,790. It would not affect the question of the comparative incidence of taxation. You instance in paragraph 5 certain industries, such as creameries, banks, and factories, as being undervalued?—Yes.

25,791. And you propose that they should pay according to their profits?—Yes.

25,792. In other words, you apply your general principle to those things as well as to others?—Yes.

25,793. Assuming that you have to value those concerns, how do you propose to proceed as a valuation authority?—Presumably it could be done as I suggested a while ago, by the Commissioner of Valuation or the Surveyor of Taxes.

25,794. There are two banks having branches in Kilmallock, are there not?—Yes.

25,795. How would you assess those two different banks in respect of their local branches?—On the profits earned by the local branches.

25,796. Earned by the branches?—Yes, in the locality I would say.

25,797. Would you require the banks to discover to you their business, profitable or otherwise?—If it is the custom under the income tax assessment I would, for local purposes as well as for Imperial.

25,798. You would, therefore, make your right of inquiry dependent upon the custom in connection with the income tax?—I think that would be the best way of doing it.

25,799. If, then, the bank pays at headquarters, and not by the branch, how about your local valuation?—I would make them show their local profits; I am sure they have that.

25,800. To whom?—To the income tax authority, or whatever authority would be appointed if the law is going to be altered.

25,801. I am going to ask you what you would propose?—I do not know that I have any particular proposition.

25,802. You propose the local authority, I understood?—I said "if information was necessary"; I do not think I applied the local authority to it.

25,803. Some time ago you spoke about the local authority as being the rating authority; I ask you if that local rating authority is to have the power to inquire into the two banks in Kilmallock as to the profitable or unprofitable nature of their business during the last 12 months?—I would not say so, but I would put a Government authority to look into it. Banking,

and other private industries of that sort, might be a thing that would be exempt from interference of local authorities, but if the Commissioner that would have to look into the matter required any information about one thing and another, he should apply to the local authority.

25,804. In paragraph 6 you apply your general principle to the earnings of professional men?—Yes.

25,805. I do not want to take you over the ground you have already trodden, but supposing a professional gentleman lives in a certain place, and makes most of his income elsewhere, how do you propose to rate him—where he makes his income, or where he spends it?—I would rate him where he derives his income from.

25,806. Why would you not rate him where he lives and spends it?—Because he is useful in that particular locality; he is bringing the money that he got in another place into it, and the local trades, and all, I fancy, have a benefit.

25,807. I think that is a perfectly intelligible position, but let me see if we can clearly realize it: a man makes 1,000*l.* a year from various areas of industry; he lives elsewhere, and spends his income in some little single shop he affects and is attached to, and you say that, then, he should not be rated because he benefits the local community by bringing his means and his capital for expenditure, but that he should be rated in the place whence he draws his income?—I think I could not say anything fairer than that.

25,808. That is to say, the local place is to have the benefit of the expenditure, and he is not to be rated there in consideration of that benefit, but that the places from which the income is drawn should be allowed to levy a rate on the profits or withdrawn?—I would say so.

25,809. Now we come to paragraph 7; perhaps you may wish to say something about the new arrangement under the Local Government Act. You say there: "Electoral division rating is the present system."

"Under Local Government Act union rating will be 'in force'; what do you want to say about that?—I think union rating is a great injustice to the occupier of land, because the town rates are now spread over a large area, over the rural district. In the past, every electoral division paid for its own poor, and every landowner paid its own expenses and county charges; and I explained a while ago in the case of towns that are altogether undervalued for rating purposes, they now enjoy the same benefits as the farmer.

25,810. Let us take the case at Kilmallock, if you will, so that you will be able to explain it to us by an illustration. The town and country alike are in the Union of Kilmallock?—Yes.

25,811. And now you are to have union rating?—We have union rating now.

25,812. Under the Local Government Act?—Yes, and as I pointed out to you a little while ago, those 43 best houses in Kilmallock pay on about the same valuation as I do.

25,813. Were you in the electoral division of Kilmallock?—No, the electoral division of Drogheda. Before the passing of the Local Government Act in the standard year, which is taken for a standard for all rating matters, under the electoral division rating, my gross rate, after deducting the landlord's portion, amounted to 6*l.* 2*s.* and the present year, under the Local Government Act, I pay 7*l.* 10*s.* 6*d.* This is chiefly owing to union rating—of course, it is altogether owing to it.

25,814. Are the rates higher than they were?—Yes they are a little higher.

25,815. Then the increase in the rates would cause you to pay something more than the 6*l.* 2*s.* that you did pay?—It would be something more.

25,816. How much would the increase of rating have added to the 6*l.* 2*s.*?—I have not worked that out.

25,817. What are the terms of increase?—They would be general. You know I paid the 6*l.* 2*s.* before the Local Government Act passed. Well, when the Local Government Act was passing, some people were under the impression that the occupier of land would benefit very largely—in fact, that half his rates were going to be paid for him. It turned out that instead of it being a benefit to me, and to those living in my district, and in many other divisions in the Kilmallock Union, that

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Rates at
Kilmallock.

Mr. R. C. W. Instead of reaping the benefit of half our rates, they have been increased immediately by union rating.

25,816. Whatever the cause or explanation, the fact that you put before us now is this: that whereas you paid 67L 2s. and expected you would have to pay only half of that—i.e. 33L 10s.—No, not so much as half less, because the benefit we were to derive was half the county one. I would say 25L less.

25,819. Of the 67L 2s. how much was county cess?—About 10L was my contribution in the standard year.

25,820. To the county cess?—Yes.

25,821. Then you hoped to be relieved to the extent of 25L?—Yes.

25,822. That would have left you, as you anticipated, 115L 10s. to pay 42L 2s.?—Yes, but these are gross figures.

25,823. I only want to get the general situation; you anticipated that you would have to pay 42L 2s., assuming the rate remained at the same?—Yes.

25,824. As a fact, you pay 74L 13s. 3d., whereas you had hoped to have to pay only 42L 2s.?—That is it.

25,825. What amount of that difference of 34L approximately is due to an increase in the rates?—I fancy that it may be 10L or 14L.

25,826. That is one-third you would put down to the increase of rates. Now then, the other 20L or so you would put down to the alteration between the electoral division and union rating?—Yes.

25,827. Will you explain to us how that has been brought about?—There was less pauperism in the county electoral divisions than in the town ones.

25,828. Your poor rate, or your rate for actual poor purposes, was less before than now; it is because the poor rate for Kilmallick town is much higher?—Much. In the Kilmallick Union we have comprised within it, for union purposes, Kilmallick, Charleville, Kilmannagh, and Bally, all of which paid a rate in some cases three times greater than that paid by the occupiers of land in country divisions. You know in an electoral division formerly comprising a town they had greater expenses; they had a lot of pumps to be put up and a good deal of outdoor relief in the poor districts of the town, and flagging, concreting, sewers, and all that. Then you have in the towns all these public-houses, which, of course, without visiting to dispense in any way my countrymen, are a great cause of pauperism, and these shops pay no adequate rates, although they are the makers of paupers.

25,829. What was your poor rate the year before last?—I think it was 1s. 5d. in 1895-7.

25,830. And the proportion of the expenditure on poor relief now in Kilmallick Union is 1s. 7d., is it not?—The expenditure of present?

25,831. Yes, the proportion of the expenditure on poor relief is 1s. 7d. 1/2.—No, it must be considerably over that. You add to that I expect the agricultural grant which would be, I think, 1s. 1 1/2d., or something like that.

25,832. (Mr. Smith.) Is there any means whereby your union can obtain a new valuation of its town districts?—I do not think the law provides any at present.

25,833. That is not the case of the county boroughs?—I know nothing about them.

25,834. (Mr. Arthur O'Connor.) In paragraph 3 you say that the benefits derived from the agricultural grant will by degrees disappear, and in that connection you refer to the concession of the landlord from the payment of half the poor rate; have you anything particular to put before us with regard to that?—The Local Government Act was by some people considered to confer a benefit on the occupiers of land, but it is quite the other way. After its passage through the House of Commons, it was looked on in Ireland and was called, and is so-called, a Landlord's Bill. That is what I call it too. It is no benefit to the occupier, except it is an immediate benefit to the occupier, but eventually it will be otherwise. The landlord in the past, whatever way the rates went up or down, had to bear half the burden. Everybody knows that the tendency of setting it upwards, especially in Ireland, which is a poor country. Now the landlord, who was once partner in the payment of this rate, has been taken away, and the Government assume a certain standard rate in the year 1895-7, and they give a grant for half that, but no more. They have exempted the landlord from all

taxation, and they have done a further injustice; they have taken away the landlord, a man taking away out of the country eleven millions of money—all that has gone away outland out of Ireland; and who have they placed it on? On the labourer. The labourer now living in a labourer's cottage has to pay rates, but the landlord is exempt. I do not think there is any justice in that.

25,835. As I understand, your fundamental principle is that income profits should be taxed?—That is my idea.

25,836. And is regard to a farm, you would say that the profit to the landlord is the rent he receives?—The profit to the landlord is the rent he receives.

25,837. And that is what ought to be taxed?—That ought to be taxed.

25,838. Whereas the Local Government Act has relieved the landlord from payment of rates altogether?—Quite so.

25,839. Between your fundamental principle, therefore, and the principle of the Local Government Act there is absolute antagonism?—Quite.

25,840. (Mr. Smith.) Where the rent has been fixed by the Court, the landlord cannot get any increased benefit, can he, from his property?—For the 15 years afterwards?

25,841. Yes?—He cannot.

25,842. And he has no voice in the administration of the rating?—None whatever under the Local Government Act, but then during the 15 years also, if instead of profits being greater than his rent they become less, we cannot offer him a lower rent than the one fixed.

25,843. (Mr. Arthur O'Connor.) Going now to paragraph 2, as I understand your principle, you would raise profits?—Yes.

25,844. With regard to agricultural land, you say a part of the profits of the land passes to the landlord in the shape of rent?—Yes.

25,845. I suppose the rate does not always exhaust all the profit?—No, not always.

25,846. How then would you ascertain the balance of profit in the hands of the tenant which is to be taxed locally?—It would not be easy to do so except on a principle that might work out unfairly.

25,847. Then your fundamental principle, however sound from a theoretical point of view, might involve very great difficulty in application and possible unfairness?—I would not approach any difficulty in application, but in equity I would, because the landlord's portion is very easily ascertained by the fair rent and the tenant's portion of the profits may be ascertained by a percentage on the amount of capital that he had put into the land.

25,848. You think that the amount of profit made depends upon the amount of capital invested?—I say the principle would be good, but injustice would occur in some cases, because although a man might have 2,000L, or 3,000L capital invested in a farm for the purpose of deriving a profit, he may not reap any profit, whereas a man that would have only 500L invested, would be getting more out of a smaller farm.

25,849. That is what I was asking you; how are you going to ascertain what is the rateable profit of each particular farmer in the district?—I do not know, except applied in the way I say. I do not know how you could arrive at the assessment otherwise.

25,850. The only suggestion you have to make is a calculation of the capital he invests, and you admit that that does not quite satisfy your own mind?—It does not; the principle would be good, but the application, I think, might work out as injustice. But if that principle were applied, it would not be applied unless the landlord should pay all local rates on the rent he receives, or a portion of it, after making a deduction for maintenance, or whatever is allowed, say according to the income-tax scale.

25,851. I understand that, according to your principle, if the farmer does make profits apart from the landlord, those profits ought to be taxed?—I do not know about that, you know. The profits a farmer makes generally are the wages he earns, because after paying the landlord, he has then to pay the labourer, and he has got to pay the rates. Of course there are profits arising in some cases—very light profits.

25,882. These are the cases I am referring to; in those cases in which there are profits, light or otherwise, how are you going to ascertain what they are for rating purposes?—Except in the way I said.

25,883. How do you suggest that the local rating authority should ascertain from farmer A or farmer B, what are the profits, light or otherwise, which he has made after paying his rent and paying wages and all other outgoings?—What his profits were after doing all those things?

25,884. Yes; how is the Local Authority to ascertain what those profits are?—Except in the way I say, I do not know how.

25,885. How do you say?—That is, to put a tenant-right, say, or at least the price of the purchase money of the farm which would be 300*l.* or 400*l.*, and to see what would be value if invested in any other way than in a farm; it might be worth 5 per cent. invested in other industries, it might not be worth a shilling invested in land.

25,886. Do you think, if you were appointed to be the Valuation Authority in your own immediate district, you could satisfy your own mind by such a process as that with regard to all your neighbours?—I would find it very difficult to do so.

25,887 (Mr. Smith). Has most of the land in your neighbourhood passed through the Land Court and been the subject of valuation?—Yes.

25,888. The greater portion of it?—Yes.

25,889. When it passes through the Land Court, is not the true economic value of that land, according to its quality, ascertained by somebody?—By the Land Commission.

25,890. Then they consider the evidence put before them by the landlord and the tenant respectively, and settle what the landlord is to receive—which is called fair rent?—Yes.

25,891. And whatever remains in difference between the true economic value of the land and the fair rent paid to the landlord may be presumed to be the tenant's interest?—Yes.

25,892. So that you would say, supposing those two were added together, and the land rated at that—

—That is an assumed tenant's profit and the landlord's fair rent added together?

25,893. Yes?—The first thing that should be then done would be to make the landlord pay on what we are paying on at present. We are paying on the landlord's income at present you know, and not on our own; that is assuming we would have one.

25,894. Entirely apart from the question whether the landlord should pay local rates or not, which is a subject of debate, that would be a method of arriving at the true economic value of agricultural land in Ireland, would it not?—That is, to add both together?

25,895. Yes?—Do you not see the profits are so small, after the fair rent is passed over, or at least paid to the landlord, and when you have to pay rates and all that for him also, that there is really nothing left?

25,896. How do you account for the enormous sums of that tenant-right is sold in Ireland?—It is easy to account for that, you know, if you are a local person. That is all trust money borrowed. A farmer has a couple of cows, and he has no commercial training. He does not know anything about commerce one way or another; all his funds are tied up in land. He buys a farm, say, for 600*l.*, that may be only worth 300*l.*, but the bidding goes on, and he goes up to 800*l.*. He goes into the bank with his son, and he will get 300*l.* probably on that. Then his son will get married.—

25,897. It is, to a great extent, continental, of course?—It is continental; it is not at all anything like business.

25,898. So that it would not be fair to add the two interests together; that I can understand?—Not at all.

25,899. But the landlord's rent is got at, is it not, in the first instance, by assessing the farm at its economic value according to the quality of the land?—It is. Although maybe a while ago to the Chairman that there was another value, I said that that would be in very few cases, because I think the fair rent, as they call it, exhausts the whole income of I may call it so, all the profits of the farm, and what is left behind is only the wages of the farmer or his daughters.

25,870. Is it not the case, as a rule, in Ireland that the improvements and buildings even have been put up by the tenant, and set by the landlord?—In 10 cases out of 100.

25,871. And for that reason there is a sort of dual ownership in the land?—There is, and that is the reason.

25,872. Now apply the same principle as is adopted in the case of English land; by the addition of the tenant's improvements the land is made of more value?—Yes.

25,873. And therefore should bear a higher valuation than the mere fair rent paid to the landlord, that is to say, some portion of the tenant's interest must be reckoned in the value of the land?—In finding out the fair rent?

25,874. No, not the fair rent, but the true economic value—the true value for taxation purposes?—I think for taxation purposes you have about found the true value of the greater portion of the land in Ireland in the fair rent.

25,875. Do you follow me? In England there is no difficulty in arriving at what land will let for, because there is a perfectly free market for it, and the landlord, as a rule, owns everything on the land, and has done all the improvements, and there is no difficulty, if you want to apply the same principle to Ireland, you must take not only the fair rent paid to the landlord, but you must take some of the value which the tenant has put upon it?—You must not, because you must remember that in Ireland, in fixing the fair rent for a landlord, all the tenant's improvements are taken into account, and it is assumed that the landlord is the man that has done these things, although it is the tenant that has actually done them.

25,876. Universally?—In most cases. That is the general complaint in Ireland.

25,877. That surely was not the intention of the Land Act. If it is clearly proved that the tenant put up the buildings, surely they are not assumed by the rent to be the property of the landlord?—The intention of the law is not always carried out; certainly not in this case.

25,878. Would you rate a farmer on the wages he earns?—I would not.

25,879. What difference is there between the wages earned by the farmer and professional earnings, which you want to rate?—There would be a difference to this extent: that when I said a professional man should pay local rates I did not mean that he should pay them on his gross income. I would allow him his wages, if I may use that word in commerce with him, to be calculated according to his circumstances. I would deduct from his gross income as much. That would then meet the case of what I call the farmer's wages.

25,880 (Mr. Smith). May I ask whether in the case of the land that you yourself farm you hold under a lease?—Yes.

25,881. And no judicial rent has been fixed in respect of that land?—Except in the case of 81 acres; the rest I hold under very old leases.

25,882. What is the date of those leases?—One of them, I think, is 1796, or something like that; there is another of 1812, and one of 1820.

25,883. Did you inherit the tenant's interest in that property?—Yes.

25,884 (Mr. Arthur O'Connor). Is it a fee farm rent?—No. I recovered the leases.

25,885. Renewable for ever?—Yes, renewable for ever; but I have now served a notice to have a fair rent fixed, although the rents were fixed so far back as that.

25,886 (Mr. Elliot). When those fair rents are fixed, is the burden of rates taken into account; is the fact that the tenant pays those rates taken into account?—In the fixing of a fair rent?

25,887. Yes?—I do not know. I do not think so.

25,888. Supposing that you had no rates to pay, would you be willing to pay a higher rent than you do now?—I know that in buying land in Ireland that is not buying the interest of a farmer. Supposing a farm is put up for sale, the question of what the rates are never enters the buyer's head at all; they are never even noticed by the auctioneer as if they were not going to be taken into account.

Mr. R. Coll. 25,889. That is not quite an answer to my question. The question I asked you—I do not want to press you to answer it if you would rather not—was, whether if you had nothing to pay in the way of rates, you would be willing to pay a higher rent for the farm?—Naturally, except I knew nothing about it. I would be inclined to pay an equivalent.

25,890. I thought you would reply to that effect; so that you would agree with me in thinking that the amount of rent on a farm does affect the amount of rent that a landlord receives, would you not?—I would not agree with you.

25,891. You think that even if there were no burdens upon the tenants in the way of rates the landlord would receive no more rent than he does now?—I am sure he would through the Land Commission, because you must remember that the Land Commissioners are all drawn from the landlord class.

25,892. Of course I will not go into that. One question with regard to the present position in Ireland. At the present moment, I understand from what you say, that those who are responsible for the Local Government Act in the county of Limerick do feel very much the consequence of their action in regard to the expenditure?—The local authorities?

25,893. Yes, the ratepayers?—They do.

25,894. Do you think that that makes for economy in administration?—It does, but, you see, they cannot economise under the Local Government Act.

25,895. I suppose as a member of the Limerick County Council, and as a large ratepayer in the county of Limerick, that when you are acting as a county councillor, you have constantly in mind the fact that if you are extravagant or increasing any expenditure a substantial burden will fall upon your own shoulders?—Quite so.

25,896. You do feel the responsibility of local government?—I do feel a great responsibility.

25,897. Do you think it is a bad thing that that should be so?—No. I do not think it is a bad thing, but I think it is a very good thing that I should feel the responsibility that I have.

25,898. Supposing that you were merely spending the Government money, you would not feel the same sense of responsibility, would you not?—I would much prefer to be spending Government money than my own.

25,899. Thank you?—But you know when you speak of this responsibility, and how we feel it, you must also remember how we were elected, and that they are not all ratepayers both in the district and in the county councils. You must remember that the Government gave a vote to the non-ratepayer, and the non-ratepayer and the ratepayer in Limerick County are just evenly balanced.

25,900. Still, in your own personal case happily a considerable ratepayer was elected?—I was elected, but I got the support of both sides, as it were.

25,901. (Mr. Arthur G. Connors.) Would you explain that? You say in Limerick County, of the electors for the rating authority, as many are non-rated as are rated?—You know what I mean.

25,902. No, I want to ascertain what you mean?—The extension of the franchise.

25,903. How has it worked?—In the direction that I told you. We will take the case of people, occupiers of land, and those who do not occupy land, workmen and others; they have a vote as well as the ratepayer. No matter on what valuation you pay or what amount of money you pay in local rates, you have only got one vote, and a man has got one vote also who pays no rates at all.

25,904. That is to say, the actual ratepayers form a minority of the voters?—That?—I would not say a minority; I would say they are nearly equally balanced. I do not object to the extension of the franchise.

25,905. Now with regard to what you said in reply to Mr. Smith about the improvements. I suppose, though it is notorious, as you say, that 90 out of 100 of the improvements in Ireland have been made by the tenants, yet under the Land Act in the fixing of the fair rent the burden is thrown upon the tenant to prove each and every one of these improvements?—Yes, to prove them.

25,906. However long back it may be since he first took them in hand, and however gradually he made them, is that so?—If they are a permanent work.

25,907. Now in your last paragraph (19) you suggest that the expense in connection with lunatic asylums, main roads, the maintenance of indoor and outdoor paupers over 60 years of age, and existing labourers' cottages should be borne by the State?—Yes.

25,908. Have you anything to say with regard to that?—What I have to say is that under the Local Government Act, considering that the occupier of land has got to pay all the rates, if the Government do not come to our relief, the farmer must go.

25,909. With regard to the lunatic asylums, do you suggest that they should be made a State charge?—I do.

25,910. That is not only the expense of the structure and the expense of the staff, but also the maintenance and treatment of the inmates?—Well, you know the structure is there already; I mean the yearly maintenance.

25,911. But you know that all the lunatic asylums in Ireland are very much overcrowded, and that they will all have to be extended, and are being extended. Do you propose that the structural alterations and enlargements should be made a State charge?—If they take up the maintenance of the staff, and all that.

25,912. Your proposal does go that length?—It does go that length.

25,913. Now with regard to the main roads, what do you understand by main roads?—The reason I put in main roads was as compared to district roads. You have main roads which are what I may call the arteries of the county.

25,914. Would you make the district road a district or a county charge?—I would have a district road a district charge.

25,915. And you would make the main roads a State charge?—I would make the main roads a State charge.

25,916. What would the county do in the matter of roads?—In the matter of main roads?

25,917. If you take the main roads and make them a State charge, and if you leave the district roads a district charge, what do you leave upon the county as the matter of roads at all?—You know the County Council is the Authority that collects and spends the rates—they have to pay out the money.

25,918. I say if you make the main roads a State charge and the district roads a district charge, what do you leave upon the county council as a county charge in respect of roads?—Nothing in respect of roads.

25,919. Now, the maintenance of indoor and outdoor paupers over 60 years of age; you think that the maintenance of paupers over 60 years of age should be a State charge?—I do, and I feel very much in that matter that they should be a State charge because they are the wealth producers, and it is they that produce the wealth that goes to build up the nation and keep the State going.

25,920. Even if they be paupers all their lives?—Even if they have been paupers all their lives. If they have, I suppose they must be then maintained at 60 with greater reason than at 25.

25,921. The question is, whether they should be maintained by the State or whether they should be maintained by the ratepayer?—They should not be maintained by the ratepayer.

25,922. Even if they are hereditary paupers?—I do not know; I do not agree.

25,923. Your argument in favour of making the maintenance of an indoor or outdoor pauper, after 60 years of age, a State charge, was that he had been a wealth producer all his life?—That is my contention.

25,924. But that would not apply to a person who had been in the workhouse all his life, would it?—Perhaps it would apply (but I have not generalized the matter) when he would arrive at the age of 60 years, but not before.

25,925. How could that make him a wealth producer? However, you are of opinion that existing labourers' cottages should also be on the hands of the State?—I am.

25,926. In Kilmallock you have a very large number of cottages, have you not?—We have.

Mr. R. Coll.

25,927

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25,927. In fact a larger proportion than in almost any other part of Ireland?—We have, because it is chiefly an agricultural district, and you have any amount of agricultural labourers there.

25,928. You have built a large number of cottages and let them out at comparatively low rents?—At 10s.

25,929. And it is a great charge upon the union, is it not?—It is 15s. a cottage on the union.

25,930. You lose 21. 10s. per year per cottage?—21. 10s. a year out of 72. 10s.

25,931. How many cottages have you?—I think it is about 400. It would be a great relief to the ratepayer and it would be a great boon to the labourer. With regard to what I said about the indoor and outdoor paupers at 60 years of age, a labouring man is the producer of wealth, and he ought, at all events, to be provided by the State with a decent habitation. Of course he would be contributing to it himself, because indirectly he is the heaviest taxpayer we have. That brings me back again to the great injustice that is being done by the law in exempting the 11 millions of money taken away by the landlords from taxation in Ireland, and making the labourer and the labourer's cottage pay it. There is no sense in it. But such is the law at present.

25,932. (Mr. Smith.) I suppose you have never formed any estimate of the cost that all this would be to the State, have you?—I have formed an estimate of it.

25,933. Or how the funds are to be provided?—I have not gone into that indeed, but I fancy that the people I claim for, that is the farmer and the labourer, are contributing a great deal of the wealth that goes to make up the funds of the State.

25,934. (Mr. Fitzgibbon.) Have you ever considered the question of administration in regard to these matters? Who would determine the amount, for instance, of the outdoor relief to be given if the money were to be paid by the State?—I would fix the amount; I would have a standard amount.

25,935. Would you say that there should be no power to draw a distinction between one case and another?—I do not think there would be any necessity to draw a distinction. For indoor paupers we know in the union the amount, and that could not be increased. That was my intention in separating these particular things. I take a standard rate, the same as have been taken with regard to the agricultural grant, say 3s. per week per head, and I would make that the standard rate, and then if they chose to increase that, let them do so at their own expense.

25,936. Then you would say, in other words, that a fixed sum should be contributed by the State, and that any balance should be borne by the local authority?—Certainly.

25,937. Apply that to outdoor relief. Do you think such a proposal as that would be feasible?—I do think so, as far as I am concerned.

25,938. Do you think it would be possible to lay down a standard rate per head for outdoor paupers?—I would when they arrive at the age of 60 years.

25,939. With regard to the main roads, what would you say? Would you adopt a similar principle there, that there should be a standard rate of expenditure for main roads?—Yes, and that was the reason that I said main roads and not district roads. Of course, main roads are more expensive, but they are less numerous than district roads, and they are, as I said, the arteries of the country, and they are used by the State.

25,940. Does not the cost of the up-keep of main roads differ very materially, according to the particular circumstances of the district through which they pass?—That is the fact, but the gross mileage and the gross expenditure could be ascertained and the amount paid into the county council, and if they choose to exceed that on the main roads, let them do so at their own expense.

25,941. You would, in other words, adopt a standard of contribution and say that the standard contribution should be paid out of the Imperial Exchequer, and that any excess should be paid locally?—Yes, because I would not, of course, at all ask the State to let the public draw on its purse without supervision. I do not mean that at all, that is the reason I have said main roads, because, say, a standard of 60 years of age for paupers and existing labourers' cottages, because if we choose to build more cottages

in the future, I say, let us, but let us pay for them ourselves. As long as the State would have no voice in doing it, I would not ask them to follow me in taxation.

25,942. Do you think that could be defended? Supposing a demand arose for new labourers' cottages in a particular district, do you not think that the district could complain if they got nothing from the State, whilst large sums were being paid to other districts towards cottages which happened to be built a few years before?—I suppose there would be a way out of that too. You could give a grant according to the valuation of a union or a county, according as it would be necessary, not according to the highest, which would be in Ireland the Kilmallock Union.

25,943. You think any difficulty of that kind could be got over by having recourse to the Exchequer?—I am sure the difficulty could be got over.

25,944. And you think that recourse to the Exchequer would be the easiest way?—In the absence of a better plan that I am not prepared to put forward, I think that this thing could be managed as I suggest.

25,945. (Mr. Arthur O'Connor.) I think we have dealt now with every one of the headings under which you have classified the evidence which you wish to give; is there anything else that you wish to say with regard to any one of them, or with regard to anything else?—With regard to one part of the matter, I think it was not fair to our country to ask us to come over here to give evidence. Of course, I am aware that our expenses will be paid; but then it is not everybody, even under the circumstances, who would like to come across to London to offer evidence.

25,946. Do you suggest that from Limerick there is evidence which you have not given which we cannot obtain here?—Decidedly; yes.

25,947. Such as?—It would take some time to make it up—such as from the Secretary of the County Council, clerks of unions, and several other people. I may tell you also that it was by mere accident that I discovered some time last January or December I think, that this Commission on Local Taxation, was going to sit. It is a thing that was not known at all, all over Ireland. I introduced the matter at a meeting of delegates from all the councils in Ireland, in Dublin, and the matter was let drop there—evidently in the want of information of the Commission's intention. I was under the impression that a matter of such vital importance to our country, and to the rate-paying interests, especially of our country, should have much wider publication, and that the rating authorities in each county and in every district should have an application made to them on the Terms of your Reference, and asking them to offer such evidence as they thought would lead you to come to a true conclusion that you wanted to arrive at, whatever it was.

25,948. Is it your suggestion that there is material evidence obtainable in Ireland which we have not had?—That is my opinion.

25,949. And which we cannot get without going there?—There is evidence that you have not got, and that you will not get.

25,950. Would you kindly tell us what it is, because we are only anxious to get it?—If I could tell you what it is you would have got it; but I simply say that there are people—

25,951. You are referring to evidence with regard to certain questions or interests or matters or views which we might get, with you tell us what these are?—What I mean is this: I will take the case of Limerick County, though I do not really represent Limerick County.

25,952. That is another question altogether, I am asking you what is the evidence, or what is the kind or character of the evidence, which you think that we are likely not to get, and which you think also we ought to get?—I think expert evidence from, say, the county council engineers and clerks of unions in rural districts, and secretaries in urban districts, and town commissioners, and all that.

25,953. Is that with regard to the existing system of valuation, or with regard to the existing system of assessment, or with regard to the incidence of taxation?—With regard especially to the incidence of taxation.

25,954. Are you aware that this Commission advertised in the papers in Ireland?—I am not aware of it, I have never seen it in any paper.

Mr.
R. C. G.
8 Nov '92

The hearing of Irish evidence in London. Some of the evidence of the Irish press.

Mr. E. Cuff. 25,955. It comes upon you as a surprise?—It did not come on me as a surprise.

25,956. The fact I mean, is the information that such advertisements were inserted or published?—I never heard of it until now. You know I only read local papers, I do not read Dublin papers except very seldom.

25,957. (Mr. ELLIOT.) Do you think we should have got that evidence if we had not in Dublin, or would it be necessary that we should go to Limerick and to the localities to get it?—Of course if you give local sittings you would receive more evidence, but you would receive sufficient evidence in Dublin. What I contend chiefly is that the public were not aware of the fact that you were either going to sit in Dublin or in London, and that they were not prepared to offer this evidence. I know that there are plenty of good men in Limerick County at my own class, and even of the class that would be opposed to the alteration that is suggested in your Terms of Reference, who would be anxious to give evidence before you, and who did not get time to prepare that evidence.

25,958. After what Mr. O'Connor has said, you will not think that the Commission itself has been guilty of neglect in the matter, will you?—He said that it was possible.

25,959. Yes?—Well, I would not condemn the Commission from these still, even although that was a fact. You know country people are very much interested in this. Perhaps it is in the "Dublin Gazette," or some such place that it was published, which we never knew except by name.

The witness withdrew.

Mr. MICHAEL MURRAY called and examined.

Mr. M. Murray. 25,960. (Chairman.) I understand you are chairman of the Blackrock Urban District Council?—Yes.

25,961. The same council, I think, for which Mr. Field appeared the other day?—Yes.

25,962. In the first place, we understand that there are some towns of taxation in Ireland which now go to the consolidated fund which, in your opinion, should go to the relief of rates?—Yes.

25,963. The first you specify is under the general term of "house-tax," what do you mean by that?—All houses for selling goods of any kind, publicans' houses and grocers' houses, houses for selling gold and silver, pawnbrokers' houses.

25,964. What are the grounds for the suggestion?—The grounds are these, that Parliament has, in its judgment, given these local authorities various things to do, which they had not to do before, by various Acts of Parliament, they throw the onus on them of carrying out these Acts.

25,965. Take the publicans' houses, the pawnbrokers' houses, or any of these, may one will do as an example, is it your suggestion that the local authority is to have the right to fix the amount?—I would not go so far as that, but I think they should get the money; I would not say they should fix the amount. Parliament might fix the amount, but the Local Authority should get the money that is paid for the licence.

25,966. How far are the licence duties at the present time paid to the local taxation account in Ireland, do you know?—They are all paid by the Crown to the local taxation account.

25,967. Then the proposal of yours would not make any one richer?—It would go direct to the individual. When the Local Government Bill was going through Parliament last session, Mr. Healy, M.P., moved that the pawnbrokers' licences should go to the city of Dublin within the metropolitan area, and Parliament granted that. The consequence is they receive something like nearly 5,000*l.* a year direct, if that went into the local taxation account it would be distributed all over the country, and Dublin would not get nearly the 5,000*l.*

25,968. Does Dublin get any licence which is not raised within its own area? You must try and make clear to me what is exactly your proposal. Take your own case of the Blackrock Urban District Council, and take the case of the pawnbrokers' houses, how much richer would you be if you got the pawnbrokers' licences than you are at the present time?—They have got it in Blackrock because it is within the metropolitan area.

25,969. (Mr. Arthur O'Connor.) Are you aware the motion were published in the "Freeman," the "Irish Times," the "Daily Independent," the "Nation," in the "Lester papers," and in the "Cork papers"?—I am not aware of it.

25,970. But if that fact were known to the public, it might possibly take off the edge of the irritation in the matter?—If it were known what?

25,971. If it were known that these advertisements had been inserted in these papers, it would take the edge off the irritation?—Probably it would to a slight extent.

25,972. You will let them know that it has appeared in all these papers—I believe in some 14 papers?—I shall.

25,973. Are you aware that there has been not only advertising but the writing of leading articles to draw public attention to the fact, and correspondence with regard to this very matter in sundry papers by Members of Parliament and members of county councils?—That was very near the sitting of the Commission. I think there was a shade of attention drawn to it at that time, but not previous to that.

25,974. This is months ago?—I have not seen it in months ago, only just sometimes, about a week or a fortnight before the Commission sat, I should say.

25,975. You will be now in a position to remove any misconception with regard to the publication of the notice, and the dissemination of information as to the fact that there was such a Commission?—I shall do so.

The witness withdrew.

25,976. Is that a new thing this last year?—Quite new under the Local Government Act; through Mr. Healy's motion it came in in the metropolitan district, and we are in the metropolitan district for police purposes.

25,977. It is suggested to me by a colleague that Dublin has always had these houses?—No. The Act by which the pawnbrokers were licensed so heavily, I believe, was an Act of the old Irish Parliament.

25,978. You have already got what you want so far as these houses are concerned, have you?—When I made that suggestion to your honourable Commission last I was not aware that Parliament had made a bargain in the late Bill, and where they used to give a capitulation grant they now put those houses into the local taxation account and re-distribute them. I was not aware of that at the time, but now I have been informed of it.

25,979. What about the wholesale grocers, what licences have they?—They have a licence to sell certain quantities of liquor in a different way. The retail grocer sells over the counter, the wholesale grocer sells for distribution outside.

25,980. Are not these licences now paid to the local taxation account?—They are paid to the consolidated fund and re-distributed, I understand.

25,981. I may be wrong, but I understand that they are paid to what is called the local taxation account, and that you get the whole of them?—Yes, all Ireland does under the late Bill.

25,982. What is the suggestion you want to make to us for a change?—I say that the Crown should not have withdrawn the capitulation grant but that they should have continued the capitulation grant.

25,983. What capitulation grant?—Previous to the Act they gave a capitulation grant.

25,984. I beg your pardon, but we are on the licences at the moment. What is the change as regards licences for wholesale grocers that you advocate? What is it you want to be done that is not done now?—For the money in each district to be paid direct.

25,985. Is it not the case that you get the whole money for the licences at the moment, and that it is paid to the local taxation account and paid over to you?—Yes, it is paid in a general way.

25,986. What difference will there be under your proposal; what is the precise suggestion you have come to make?—I would like you to understand that when I made the suggestion originally I was not

Mr. M.
Hawley.

5 Nov. '99

26,010 Do you suggest that that should be an Imperial charge?—No, I would not.

26,011 The urban rates you said were 5s. 4d. in the £., what is done for that 5s. 4d., do you know the component parts of it, the different rates that are included in it?—I do. One of the heaviest rates connected with that, was the promotion of a Bill in Parliament for main drainage, within the last six or seven years; then there is, of course, the keeping of the roads, and the paying of the officials in connection with the urban district.

26,012 You would not suggest that any of those things were matters which could be put upon the Imperial Exchequer?—No. You might have noticed in my remarks earlier, that the fact of having to go to Parliament to promote Bills often causes a very heavy charge on local authorities.

26,013. I sympathise very much with you, but that, of course, is a temporary thing, it is not a thing that goes on for any length of time, is it?—No.

26,014. The cost of the main drainage you would think would be a local charge, would you not?—That was a local charge.

26,015. Just take your own list of Acts, surely the Sanitary Administration ought to be carried on and paid for locally?—Yes.

26,016. Take the next one, Weights and Measures; what do you want to say about that? We have had some evidence about it this morning already, from a gentleman representing another local authority, and I should like to know whether you views agree with his?—The weights and measures is a very small thing.

26,017. Still, it is a matter of interest to me to know, small or great, whether the grievance connected with it is the same in different parts of the country. Who appoints your Inspector of Weights and Measures now?—The local authority do.

26,018. And you have an opportunity of controlling him, and of seeing whether he does his duty?—Yes.

26,019. That, then, under those circumstances, should probably be a local charge, should it not?—Yes, when there is no recent Act of Parliament throwing it on the local authority, I suppose it should be.

26,020. As regards the next thing we have had that already—you refer, I presume, to a special kind of inspection of factories, not to the inspection which is done under the Home Office, or under the Lord Lieutenant, but an inspection of appliances for prosecutions against fire?—Yes.

26,021. What about the Shop Hours Act?—That is recent legislation that we never had before.

26,022. Is it not voluntary to you—is it not as your own option whether you will appoint an inspector or not, and pay him?—I think you are bound to appoint an inspector, but I am not sure.

26,023. Do you not think that every locality should do that for itself? Do you not think that if you have an organised system of local government in the form either of a town council, or of an urban district council, that it is better for the locality and for the people who have to administer, the law that they should have the responsibility of doing that sort of thing in their own district?—Yes, I desecry. But for all these various things you have nothing to fall back upon but the actual rating of houses or the rating of property as the law stands. These may all seem small things, but in the aggregate they mount up. Ten years ago the urban charges that are now 5s. 4d. were only 3s. I may be wrong; I am only nine months a member of the body, and I am not an expert—

26,024. It would not be fair, of course, to ask you about things of which you have no knowledge, but I was endeavouring to find out from you what your own personal knowledge was; please do not think that I am doubting you. I am only trying to elicit what you want to say—I know, but it is very hard, unless for an expert, to explain. My evidence, which is not given as an expert, is simply from general observation, and, of course, I have not very much experience. It appears to me that an increase from 3s. to 5s. 4d. in about 10 years is very considerable.

26,025. It is a large increase, no doubt?—Yes.

26,026. (Mr. Arthur O'Connor) Of course, you understand perfectly the position of the Commission. We

have a certain question referred to us which we have to consider, and we are desirous to get information with regard to the material we have to deal with from anywhere and everywhere, and we must treat every witness as a kind of human to be squeezed, and we must get everything out of him that we can—I understand. I would like to say this, that when I saw the Terms of Reference to the Commission, I thought my evidence would not be of any value and would not be received, and I wrote to the Commission to that effect.

26,027. Personally, I did not know anything about that, but you have come to give us information; would you kindly, in your own way, in your own order, and in your own words, give us any information which you wish to communicate to us upon any subject whatever—I have gone through everything I wanted to say, as far as that is concerned.

26,028. Then you have nothing more to add?—I do not think so. I believe this, that the recent Act, the 1898 Act, will be the means of increasing taxation considerably in Ireland.

26,029. That is speculation and prophecy, I make no doubt it may turn out to be perfectly true?—I have given you figures already.

26,030. Have you any information with regard to matters of fact?—That is a matter of fact.

26,031. That is a matter of prophecy?—It is a matter of fact that one charge has increased from 800L. to 3,000L.

26,032. Which charge?—The county charge has increased from between 800L. and 900L. to between 3,000L. and 4,000L.

26,033. That may be a displacement of charge?—No.

26,034. That is your town clerk's note?—Yes.

26,035. Will you kindly let me look at that note?—Yes.

26,036. Now, with regard to licenses. The excise licenses in England go to the Local Authorities, and so they do in Scotland; do they in Ireland?—They do not go direct.

26,037. Do they go at all?—I think they do, I think they go into the Imperial Fund, and are re-distributed.

26,038. On what ground do you think so?—I asked the question of the treasurer of the Dublin Corporation.

26,039. And did he tell you?—He told me that he understood there was a bargain made during the passage of the 1898 Bill through Parliament, that the excise grant for licenses and other purposes was withheld, and that the houses then went into the Local Taxation Account, and the amount was re-distributed in the country.

26,040. I am speaking of the excise licenses. Did any person in a position to have information officially inform you that the excise licenses in Ireland were treated in the same way as the excise licenses in England and Scotland?—When you speak of excise licenses, I take it you mean the license for the sale of drink?

26,041. Yes?—He did.

26,042. Who was that authority?—The treasurer of the Dublin Corporation.

26,043. Not an official connected with the Excise or with the Treasury?—No.

26,044. Then you are dependent upon him, or rather upon his impression for your information upon that point?—Yes; it went into what he called the Local Taxation Account, an Imperial account in a sense, and was re-distributed then to different authorities; that is how I understood it.

26,045. I have only one more point to ask you upon, that is with regard to the pawnbrokers' licenses. Are you aware whether there is, or whether there is not anything exceptional in the case of Dublin with regard to the pawnbrokers' licenses?—There is this, I think, that originally these licenses were made by the Irish Parliament, because I take it it was made by the Irish Parliament, inasmuch as—

26,046. I distinguish not only between Ireland and England, but between Dublin and the rest of Ireland?—No, there is not; except this, that as Dublin there is what we call a City Marshal, and he has some sort of control under that Act over pawnbrokers in

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Hawley.
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Local Government (Dublin) Act has been the means of increasing county rates to some extent.

Licensing The proceeds of excise licenses should go into the Local Taxation

other parts of Ireland, but the fees that he would get from them go to himself, not to the relief of the local authority.

25,647. Where do the fees paid by the pawnbrokers within the area of the Dublin Council, of which you are a member, go?—These fees go, as far as my information goes—

25,648. The licences?—The licences go direct into the treasury of the Dublin Corporation.

25,649. The licences?—Yes; but there are fees also.

25,650. Is that not exceptional?—It is exceptional.

25,651. Can you tell me any other part of the Kingdom where it prevails?—I cannot; I think it does not prevail elsewhere.

25,652. Now can you tell me anything with regard to the hackney carriage licences in Dublin, so to whether there is anything exceptional in that, or whether there is not?—The only thing that would be exceptional would be that the Imperial Authorities pay a portion of the police.

25,653. We are talking of hackney carriages?—Yes.

25,654. You know what they are?—Yes.

25,655. You know that there are certain charges in connection with the running of these, and their plying for hire?—Yes.

25,656. Where does that money go to?—It goes, as far as I am aware, to the Imperial Exchequer.

25,657. And that is your information?—That is my information.

25,658. But you do not give us that as a matter of positive evidence?—No. I know that the City of Dublin does not get them.

25,659. Now, with regard to the sale of silver and gold, is there anything exceptional there in the case of Dublin?—No, there is not.

25,660. What do you propose with regard to it?—I only mentioned it as one of the items that do go to the Imperial Exchequer.

25,661. You propose that wherever there are licences or charges, or taxes, or whatever it may be, with regard

The witness withdrew.

Adjourned.

SIXTY-SECOND DAY.

Wednesday, 29th November 1899.

At St. Stephen's House, Victoria, Embankment, S.W.

PRESENT:

ARTHUR O'CONNOR, Esq., Q.C., M.P., in the Chair.

Sir GEORGE H. MURRAY, K.C.B.
C. A. CHUTE, Esq., Q.C., M.P.
T. E. BLINNET, Esq., C.B.

R. O. SMITH, Esq.
The Right Hon. J. L. WARDON, M.P.

ARTHUR WILSON FOR, Esq., Secretary.

T. LAWRENCE DAVEN, Esq., Assistant Secretary

Mr. JAMES EDWARD O'DONERTY called and examined.

25,662 (Mr. Arthur O'Connor) I believe you are a solicitor, and were at one time Member of Parliament for one of the divisions of Donegal?—Yes.

25,663. You have also been a member of the Rural and Urban Sanitary Authorities of Londonderry?—Yes.

25,664. And a Poor Law Guardian?—Yes.

25,665. I believe also that you are conversant with the duties of a coroner, being coroner for a division of Donegal?—Yes.

25,666. In the Memorandum* of Evidence, which you propose to submit to this Commission, I notice

to the sale of a certain article, to wit, gold, the revenue so derived should go to the local authority?—I do.

25,667. Now, will you tell me why it should, and why you limit it to that particular commodity?—I mentioned that as one of the things that is licensed at the present time, but I go further; if the Imperial Authority thought it was necessary to licence any other trade that should also go to the Local Authority. I only mention those licences which within my limited knowledge I know are licences that exist.

25,668. That is a very valuable answer, because it clears up the whole thing. You say that wherever there are licences in connection with the local industry or sale, those licences should go to the Local Authority?—Yes.

25,669. If the licences and the revenue derived from these local industries are to go to the Local Authorities, why do you propose that these same Local Authorities should be relieved from the burden attaching to the administration of those things, such as the Shop Hours Act?—Of course I mention these Acts as one of the reasons why these licences should go there; I mention these Acts passed by the Imperial Parliament throwing the burden on the Local Authority, and I mention these licences as one of the things that should be given to the Local Authority to relieve them of that very onerous taxation.

25,670. That is, you say that if you are locally to bear the burdens, you should locally enjoy the benefit?—Yes.

25,671. And you say, we do locally suffer under certain burdens in connection with the administration of the Sanitary Acts, Weights and Measures, the Inspection of Factories, Shop Hours Act, and the School Attendance Acts; and that being so, we ought, at any rate, to have the benefit attaching to the existence in our midst of licensed trades?—Yes.

25,672. (Chairman) Have we missed anything that you would like to say?—No. I am afraid I have not been the means of giving you much information.

25,673. Not at all; we do not grudge the time we have given you at all?—Thank you.

Mr. M. Murray.

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Mr. J. E. O'Donerty

25 Nov. '99

of Ulster and so be inequitable as compared with other parts of Ireland.

you state that the valuation of land for rating purposes is in parts of Ulster excessive. Would you kindly extend that a little, so that we may know exactly what you mean?—The valuation made in Ulster was later than that of the southern parts of Ireland. The land itself is used as tillage land, and not generally very good, and therefore a very large expenditure has had to be made in the rearing of it to a proper state for tillage. When the valuers had done with the southern parts of the country, they came north upon land which was not naturally so good, but which had been rendered apparently as good by the expenditure of the tenants

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and by reclamation and drainage. The result, combined with the rise which had taken place between the famine times and when the valuers reached Ulster, was that the valuation of Ulster is entirely incommensurable as compared with the valuation of the southern parts of Ireland, because we were valued on our own improvements, and valued also on the higher prices which prevailed at the time of the Ulster valuation. It has always been, in the Land Courts, our argument that in fixing the rent the valuation should not be regarded, because it was excessive for those reasons.

25,076. Do you mean that it has always been so held, or merely was contended by one side?—It has been admitted to a certain extent, but certainly not, I think, to the extent which the facts would justify.

25,075. Has it been acted upon by the Courts?—It has been acted upon, but not to the extent that we say we would be in justice entitled to.

25,076. To what parts of Ulster would those observations apply if to any more than to others?—Primarily to Tyrone, Londonderry, and Donegal, I am speaking of those I myself know.

25,077. To portions of Donegal perhaps, or to the whole?—To the portions of Donegal especially which has been most reclaimed, which has been mountain or heather.

25,078. Not to the Laggan?—Not to the Laggan. The Laggan is very greatly improved also, but they have certainly got a substantial portion in the natural capacity of the soil.

25,079. In the poorer portions, would you say the improvements would represent a larger proportion?—From 2d and 3d, as acre up to 5s and 10s. an acre now.

25,080. (Sir George Murray.) When you say that the valuation is excessive, do you mean as compared with other parts of Ireland or that it is intrinsically excessive?—Both as compared with the other parts of Ireland, and intrinsically.

25,081. You would say, would you not, that the valuation ought to be based on the entire annual value of the land, including its improvements?—I would.

25,082. Then how is it intrinsically excessive?—Because the natural quality of the soil is far more valuable to have as the element of the production of a crop than that which is caused by the reclamation and the drainage. I quite agree that making allowance for the sub-soil or the soil and not having regard to appearances and to the crops which are very largely the result of cultivation and manures, it could be made right; but what I hold is that the men who usually come up to Ulster and who usually value are more acquainted with the Midland and Southern Counties, and they take more the appearances which they see about them than what really does represent good soil. I account for the valuation in that way, and I hold it to be excessive in itself as well as relatively to the South.

25,083. But you would admit, would you not, that the annual value of the land as it stands is the thing to be considered?—Villages and manures, I would not value in the case of a man who had well tilled and well manured his land, because that is merely part of his cropping.

25,084. Still that goes to make up the annual value, does it not?—No; what does go to make up the annual value would be the reclamation and the fencing.

25,085. Why?—Because the others are transient; two crops would take off the value of your villages and manures perhaps.

25,086. But while your two crops are there they ought to be valued, ought they not?—Yes, but as I understand it, it is a perpetual valuation and you could not take it from year to year. There is one man, say, having a farm in a good state of cultivation; and another man having a similar farm in a bad state of cultivation; and it would not be very fair to have those two valued differently, if the difference consists as I say in superior cultivation. It is merely like a better coat of paint on a car, there is no reason why the one should be more valuable for the purposes of valuation.

25,087. That is putting rather a premium on bad cultivation then, is it not?—No, I would not say so. I would take what should be a fair state of cultivation. We believe ourselves, in Ulster, that we do make more out of the soil than it is made in the South.

25,088. (Mr. Smith.) But you would agree that all permanent improvements should be taken into account in the valuation?—I would.

25,089. (Mr. Arthur O'Connor.) As I understand you, you object to valuing the crops together with the land for the purpose of a general valuation?—Certainly; of course I would.

25,090. Now as to paragraph 3, in that paragraph you express dissent from certain ideas referred to in Mr. Barton's evidence with regard to adding tenant right for the purpose of revaluation; would you kindly explain that to us?—The tenant right, which Mr. Barton appeared in his evidence to think had been omitted by Sir Richard Griffiths, and those who were engaged in the first valuation, is a matter which consists of two or three elements, principally tenant's improvements, and also the element of good-will. The element of good-will is practically that which has been excluded now for some years—since 1861—from the valuation of the land, being, as a matter of fact, the result of a Dutch action between the people wanting it. It is just the same as people offering to take a situation on a public board at a half, or a third, of the salary of those who are working it, and who find it little enough for them. It is simply competition among men who are anxious for it, and who are willing to take a very small return for it. I consider that that should not be part of the valuation of all, otherwise it would be unfair with regard to the parts where there is no competition. I do not know whether I have explained it sufficiently; perhaps in some subsequent questions you may make it clearer. The principal element of valuation in the valuation of tenant right, as the houses and steadings. These are already valued on the same principles as houses in towns, and yet Mr. Barton proposed to include a certain valuation of those things because of their adding to the selling price of the farm. The third element is that which already is fixed in the gross valuation put upon the farms by the Land Commissioners, namely, the tenant's improvements, such as fencing, draining, and reclamation. Now, there would one of those but come within the limits of tenant right, either by law or by custom. If Mr. Barton therefore would add to the valuation of the land a percentage upon the tenant right as he proposed, he would be adding it a second time upon the houses and improvements, and he would be taxing the good-will, which I think is a mere matter of, as I say, Dutch action.

25,091. Do I understand you to say, first of all, that as the valuation includes the thing as a composite entity, including the tenant's improvements, and as the tenant right covers the claim to these improvements, such as buildings, if the tenant right is added for the purpose of valuation to the existing valuation of rent, the tenant will be charged twice over?—Yes, and also upon the ruinous system of competition for the good-will.

25,092. Have you anything to say with regard to the second part of paragraph 3, namely, "Other profits of land are not valued or taxed, such as quarry, bog ore, brick-clay, gravel, &c."?—Yes. There is in the Valuation Acts a direction that certain profits on land should be valued, and in that, expressly, turf is included, that is, turf which is left to either tenants or landlords at a price. I have known as much as 50s. an acre being paid for one year's cutting of the surface of the turf. It is cut generally about three feet deep. One ordinary small tenant would take about five perches, and for that he would pay probably 30s., but it works out to about 50s. an acre in moderate estates. There would probably be a second cutting in part of that, but I am now speaking of the first cutting. These things are not valued at all in Ireland, and they have been omitted by the valuation officer completely. I have never met a case in a large county like Derry, where bogs are prevalent, in which the bog was valued upon the land for the benefit which has been derived from the turbary. The next matter is bog ore. Bog ore is very largely exported from parts of Donegal and a royalty is taken by the landlords for every cart or ton of that which goes out. There is no return in valuation for that. It is the same way with clay for the making of bricks; there is no return whatever. Large portions of the land produce a great rent for that purpose and there is no valuation of that. The head is simply valued at 2d. or 3d. an acre for the grazing right, and then up perhaps to 4s. or 5d. or 6d. in some towns. I think that has been an omission. It is due to the hitherto existing Local Government in Ireland which has been largely in the hands of the owners. Probably the revenue out of these things has only been a trifle thing. I know in my early days that turf was pretty generally given free, except to cul-

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holders; now, it has become a very valuable thing. Then, I know as my early days, bog ore was not very largely exported, but now it is a very nice industry in Antrim and Donegal.

25,091. With regard to tithary and other things, they at present cease valuation, although in some cases they bring in a very considerable annual revenue to the owner?—Yes.

25,092. (Sir George Murray.) Are those kinds of property excluded by statute?—No, they are expressly included, except the turf which is cut by the tenant for his own use and for which he pays nothing.

25,093. (Mr. Arthur O'Connor.) An argument to his holding?—It is the profit that is to be found, but as it is the landlord gives it to his tenant as an addition to his holding, then nothing is valued upon it—nothing can be valued against it unless profit is derived.

25,094. (Sir George Murray.) There is ample power to bring all these kinds of property into valuation now, is there not?—Plenty of power, it is simply an omission.

25,095. Whose duty is it to see to that?—It is the duty of the Commissioner of Valuation in Dublin.

25,096. Is it a fact that ore is not valued?—Ore is not valued.

25,097. Nowhere?—You see this ore is not in mines and ore is not valued except it be in mines. I am not aware that there are any mines for this ore, it is bog ore, which is simply the bog impregnated with oxide of iron.

25,098. (Mr. Arthur O'Connor.) Is it iron pyrites?—I do not know the technical name, but it is very largely exported I think for the purposes of the purification of gas in large cities.

25,099. (Sir George Murray.) That hematite ore in Antrim that you were speaking of in the mines would be valued, would it not?—I have not any acquaintance with Antrim, but I should say it would not have escaped, as it is a very large interest.

25,100. You only speak of bog ore?—Yes.

25,101. And practically that is never valued?—It is never valued.

25,102. (Mr. Wharton.) As I understood you, there is no valuation of game rents at all?—None.

25,103. What should you say would be about the average value of game rents per acre?—I have known instances of moorlands let for 50l. and 60l. according to the extent of moor on them; I think it is done in that way. It is done by the reputation the moorland has.

25,104. You cannot in any way suggest to us what the average lost to the Valuation Authority is by not having these game rents valued?—No, I could not do that, I only wished to call the attention of the Commissioner of Valuation through you to the omission, he will have ample means of doing it.

25,105. Can you tell me at all what the average value of the bog ore put on is—that is, of course in the bog?—I only know the gross valuation as landed at the ship; that, I believe, is a lead, but that of course covers nothing.

25,106. How many loads do you suppose there are per acre?—It is in bits.

25,107. Possibly you have no personal knowledge?—No, I have not, I only just see it going out in large quantities, and I see the ships loading it.

25,108. Tithary, I think you say, is put at the average capital value of about 50l. an acre, do you?—I do, where there is a good bog and a large population, sometimes it goes up to as much as 100l., and sometimes, as on the Marquis of Donegal's estate, it might not reach more than 10l. or 15l., because he has a very large and extensive property.

25,109. Do you think that is about the average value?—I should say that 50l. an acre would be the average value. You see it is gone the moment you have the tithing taken off, and you must go on then to the next acre. It should not extend, therefore, over the whole area of bog; it would only be the area in actual process of cutting.

25,110. Let us make that clear, I thought you meant that the value of a good cuttable bog, if I may use that phrase, is 50l. per acre?—For one year annum by the rate's cut. It is really the capital value if it is cut at the first cutting; of course there may be a second cutting, or there may be a third, and I know of estates where there is a third or a fourth.

25,111. I thought you meant capital value?—No.

25,112. That would make a bog a very valuable property?—Yes, but by the very nature of it you consume the matter that I wish to be valued.

25,113. Quite so; in the case of a man entering upon an uncuttable bog, do you mean that the capital value of that bog for cutting purposes is 50l. an acre?—I do, if it is within the area to be cut, but it might be five or six miles away from any place and therefore quite uncuttable, but taking that which is cut and which is used, the landless will have 50l. an acre for the year's cutting.

25,114. (Mr. Arthur O'Connor.) I suppose bogs vary very much in depth, do they not?—Yes.

25,115. And in layers of cutting?—Yes, both in depth and in quality and in the competition for them.

25,116. (Mr. Wharton.) I am only understanding you to take an average bog of course some are very much more valuable than others?—Yes, I know there are places where 100l. an acre would be very easily got for it.

25,117. (Mr. Smith.) Of course you would not propose to bring these into rating until they were actually used?—No, certainly not. Take the normal cutting in any one year, and you might take it for granted that until a larger population comes in it would probably be the same every other year.

25,118. It would be a great advantage, would it not, to have power by some new legislation to call upon the owner to make a return either as to the profits if he worked it himself, or as to the rental if he let it?—Certainly.

25,119. That would meet the case of those various omitted properties, would it not?—That is the very object for which I wished to bring it before the Commission.

25,120. (Mr. Arthur O'Connor.) Then next you say that railways are greatly undervalued; and that the distribution of value is inequitable. Now, to take the first point, how are they undervalued?—As far as I can see there has been no opportunity for the Local Authority to check the figures, and the estimates which have been put in by the Railway Authorities who are experts upon this matter, and who are very clever. I complain very much that no assistance is given by the Commissioner of Valuation, when local authorities are anxious to have the matter investigated. I got the Board of Guardians of Derry to apply to Mr. Barton for the purpose of testing the valuation of railways about Derry, in the reason in which I was, and the answer was that really this was a matter so large that it would be impossible for the purpose of particulars that were necessary for the purpose of showing how the calculation had been made. I applied myself, giving particulars to Mr. Barton for the purpose of testing the two northern railways—the Northern Counties and the Great Northern. I produced a letter did not give me the information. I produced it now. "In reply to your letter of the 10th instant, I have to inform you that the valuation of the Northern Counties Railway is 35,000l., the Great Northern Railway 161,890l., and Portadown Station 832l." I had applied for the sections, I did not want to give him very much trouble, but I wanted the section from Portadown to Daidun, which would include the Belfast and Derry traffic, and then from Portadown to Belfast, and Derry traffic, and then from Portadown to Section separately. That would have enabled me to see in what way the distribution had taken place. Mr. Barton then proceeds "To give you the valuations of the several sections would take some time, and we are at present so pressed with work that the information could not be prepared for you just now." I have so granted matter on the subject. I asked him for any printed matter on the subject.

25,121. Do I understand that if the Local Authority is dissatisfied with the valuation put upon the railway in its area it is not able to obtain information from the Commissioner of Valuation?—It did not in that particular case. Then you have to appeal and depend upon your own officers' intelligence and energy in working the thing up. As a matter of fact, there is an appeal at present before the Recorder in Dublin against a valuation of Mr. Barton reducing a railway very largely, and the Recorder is practically threatening—

25,122. Is that question still sub judice?—Yes.

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26,125. Then we need not go into it?—I am not going into the merits of it at all. I merely refer to it because I find Mr. Barton refusing to appear before the Recorder to give him the information which he required, taking the high and mighty—"I have to do this upon my responsibility, and I will take it." I do not think that that is a proper attitude for a public officer to take. These things led me to an investigation of the matter myself, and what I call your attention to with regard to the two matters before me, I will tell you in a very short time. The Northern Counties Railway, which is the first in Mr. Barton's return to me, is valued at 36,000, that is to say, at less than one-eighth of the gross of its entire receipts, and at less than a third of the net, and nearly a fourth—it is about $\frac{1}{4}$ of the net.

26,126. (Sir George Murray.) Net profit do you mean?—Yes, net profit.

26,127. (Mr. Arthur O'Connor.) The whole railway is valued at less than one-eighth of the gross?—Yes, and less than a third, nearly a fourth, actually $\frac{1}{4}$ of the net receipts. Now, having regard to the fact that all the expenditure on the railway, repairs, &c., whatever they are, goes into the working account, and has been deducted, I say that if land were valued in the same way, and if people were allowed to take first the interest upon their movable capital, cattle, buildings, and everything like that, there would be no valuation for land in Ireland at all.

26,128. Does any portion of this railway run within an area with which you are personally acquainted?—Yes, I will go into that next, and will explain to you how the valuation is distributed.

26,129. On that point I wanted to ask you this question—whether the Local Authorities have estimated for themselves what would be a reasonable sum for the valuation of that portion within their area?—Never; it is very likely under the new system they will, but under the old system it was left entirely to the Commissioner of Valuation.

26,130. Have you any opinion to express with regard to the proper valuation of that portion of the line which is within your area?—I have a very clear sense of how justice should be done; I do not know whether it will agree with what I have said, but might I just finish the figures?

26,131. You say the railway as a whole is under-valued?—Yes.

26,132. Do you say that that portion of the line which is within your area is, in your opinion, under-valued?—I cannot say; unless it is over-valued as compared with the others it must be under-valued; failing that, I hold the first is under-valued.

26,133. As a whole it is under-valued?—The whole is clearly under-valued.

26,134. And you assume that the portion which is within your area is also under-valued?—If it is in proportion, certainly.

26,135. And on that ground you applied to the Commissioner of Valuation for certain information?—Certainly.

26,136. Which you did not obtain?—I directed the clerk to the Local Authority to apply for it, and could not get it.

26,137. Now with regard to your second point, the frequency of distribution, what have you to say?—Might I finish the other one?

26,138. If you please?—On the question of the valuation of the Great Northern, its valuation is 161,890; that is a fifth of the gross, and about half-way between a half and a third, or five-eighths of the net.

26,139. Net receipts you mean?—Yes. The two railways are not valued at all in the same way. One is valued at an eighth of the gross; that might probably be because its expenses are larger and it is not such a paying line, and the other is valued at a fifth of the gross and between a half and a third of the profit, or at five-eighths of the profit. I consider that also to be an entirely inadequate valuation. I think that the only question which the railway companies have a right to take into account is to claim that their staffing stock is like the chassis on a farm, and also, as I would say the horses and stearings on a farm. They hold and claim that that is part of a necessary expenditure to work the railways like their

grasses and servants. On the contrary, I think a railway fitted with this rolling stock ought to be valued as a whole, as the railway intended to be valued, and therefore, I say, that the proper valuation should be the net profits. That finishes the first part of this paragraph.

26,140. With regard to the distribution of the valuation being inequitable what have you to tell us?—Not having got the information from the Commissioner of Valuation I applied to the clerk of the Local Authorities in Dublin and in Belfast, and I got for myself the valuation in Derry of those sections of the line; and it is a very striking return. Remember the Great Northern Railway is assigned from the north and it is almost entirely valued in Ulster; the valuation placed upon the Belfast section of the Great Northern Railway is 10,460.

26,141. (Sir George Murray.) Is that the section Portadown to Belfast?—No, it is only the section inside the borough of Belfast—made the area of the local authority of Belfast. In Dublin, where the terminal station and the capital station for commercial purposes, the valuation is 5,560, and in Derry, 1,221. So that Belfast is very nearly double the Dublin valuation and much more than both Derry and Dublin together. Portadown, which, I suppose you gentlemen are aware, is simply a junction, is not of very great value; it is valued at 850, within two-thirds of Derry. I cannot understand that.

26,142. Is that the valuation of the station or of the line?—In all these cases it is station and line—everything in Dublin, everything in Belfast, everything in Portadown is valued.

26,143. (Mr. Arthur O'Connor.) It is what is imputed to the Local Authorities as reasonable?—Yes.

26,144. Do you know at all how that is arrived at; are you conversant with the system of calculating it?—I could not make out from Mr. Barton's evidence how it is made up. I think it is done according to some idea of lengths.

26,145. By train mileage?—Yes, by train mileage. I think that seems hardly defensible; either lengths or train mileage would seem to me to be absurd. You know that the traffic of County Donegal, for instance, comes in at points of that railway, say, at Derry, which is not in Donegal at all, and the whole traffic of Donegal going by that railway would not be valued to Donegal except the small section between Derry and Portadown—perhaps not even that, which would not be more than four or five miles in length. I can very well understand other countries from which the whole traffic goes over the line only having a station in their limits. It seems to me that the proper way of valuing railways would be—having regard to the way that they are supplied and fed by the whole country—that all the railways should be taken as a whole and then divided by what I would hold to be the equitable principle, according to the area. Undoubtedly the poor districts would get the benefit of that, but I do not see that there is any objection, in principle, to it.

26,146. Do you think that it would be fair to assess the railway according to the value of the land occupied, gauged by the value of the adjoining land?—Not at all. As it is to be used as a railway, I should value it as a railway, the same as a house. It is like a built house. What difference is there between a railway construction and a house construction? You value the house on the full valuation. Why should not a railway be valued on a full valuation when it is made? Every rail and sleeper upon it is part of the construction of that railway; every bridge upon it, every station upon it is the same.

26,147. Would you propose to distribute the valuation equally between a purely urban area through which a railway passes and a purely rural area where, perhaps there was no station at all?—As I say, I would make the whole fund of the railways a national fund. I would divide it then according to the area of country, and an acre of bog in Donegal should just get as much out of it as an acre in the City of Derry, or the City of Dublin, or the City of Belfast.

26,148. Would you then, on that principle, assess an acre in the City of London, or in the neighbourhood of London, belonging to the South Western Railway the same as an acre on or near Salisbury Plain traversed by the same railway?—I would give the Salisbury Plain acre as much of the valuation as the other; I see no more equitable way of passing it. If you look at it, you will find that as things are worked now, everything is

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for the towns. These railways are all bringing things into the town. They are all practically draining the country, the country is going down—that is, the rural districts are going down. In my opinion, it is only a fair thing that as those highways were given through the levellest parts of the country for these companies to make the railways, these railways should, when they are taxed, be taxed for the benefit of the entire community which is supporting them, just in the same way as the Post Office distributes its letters to the poor districts for the same fee that it does in the City of London.

26,140. (Sir George Murray) Suppose that in the section of the railway on Salisbury Plain there were only three trains a day running, and suppose that in a section in the suburbs of London there were a hundred, would you still apportion the rateable value in the same way?—I would put it stronger than that; suppose there were no railway at all on Salisbury Plain—nothing but high roads and ways of communication to a station 20 miles away, carrying whistles and traffic there to it, I would distribute the rates paid by the railways equally over the whole area locally irrespective of the number of trains run, and totally irrespective of the size of the trains.

26,141. That is departing from the principle of local valuation of course entirely?—I do not think it is, because I cannot see exactly how you can say that a section of the London and North Western passing through the fields of a man and never stopping at all, can be in any way considered as more than a means of communication between two distant places. I do not see in what way it affects the local authority.

26,142. Then a union, say, which had no railway at all, would get the same share as a union covered with railways?—Yes, under my system if it had the same area.

26,143. Does that mean equitable?—I think so, I do not see what the section has got to do with it; some of the localities have exclusively fed these railways; the section through which it goes may never have contributed anything to it.

26,144. Would it not follow that you should distribute the whole rates of the country in the same way?—Not all. I cannot see that, because many of them are too expenditure in the localities, such as the rates for sewers, and all that sort of thing. I do not see that there is an analogy. Railways are supported by users from the sea passing from the sea port to the extremest part of the land, and I do not see what right the localities over which it passes have to get any more out of that than the other parts have.

26,145. If a union which has no railway in it is to have the same share of the rates as a union which has a railway in it, why should not those unions in the same way share all the rates?—I have not considered that question, and I can very well understand that rational rating for many purposes is quite right. For instance, with regard to the support of the poor, I have always been of opinion that rational rating should be the thing for the support of the poor, because the poorer localities produce more poor, and yet they are made to support their own poor.

26,146. That is another question?—It is a large question, but I am applying the same principle to this.

26,147. Would you distribute the rates paid by the London gas companies over the whole of the United Kingdom too?—I do not say so, because I should say they are entirely a local thing.

26,148. More local than a railway?—Much more so than railways.

26,149. Then railways generally, but not then some railways?—There are some railways that are very local; but the idea is to communicate with the general system of communication in the country. All railways, I presume, are made for the purpose of getting into communication with the main lines; it should be done in the same way as with the Post Office. I cannot see any distinction between these railways and the Post Office.

26,150. (Mr. Wharfedale) Following what Sir George Murray has asked you, I understand, that your idea is that you would take the valuation of the whole of the railways in Ireland and then distribute those—I do not quite know in what proportions, but you would distribute those all over the various rateable areas of Ireland?—Yes, according to the acreage as then.

26,151. According to the acreage pure and simple?—Yes.

26,152. We will say there are four acres in Dublin which they have obtained for a terminus, which comprise the terminal station, the goods station, and all the sidings, and you would not give Dublin the least benefit of those four acres being situate in Dublin, but you would distribute the rateable value of them all over the area of Ireland?—I would take the whole and distribute it all over Ireland.

26,153. Or in other words, if you will pardon me, Dublin would lose consequently all the value which Dublin now gets by the terminus being situate there?—It would lose, but not all, and it would retain, on the other hand, all the benefit of having the Central Station offices, the men, the work, and the wages.

26,154. Whatever value that may be. You also said, I think, just now that the railways drained the country for the benefit of the towns, do you not think the country gets some benefit out of the railways by being able to go into the towns and having various articles brought from the towns into the country?—True, to the extent to which the benefit applies. I take the facts, and the facts are that the towns are improving, and the country is going down, and I have a very strong opinion that railways are very largely accountable in Ireland, at any rate, for a good deal of the poverty that is in it.

26,155. Do you think, then, that the country is worse off for having railways in it than before?—No.

26,156. Not worse?—No, I do not say so.

26,157. I thought arguing on what you have just said before me, that you would say that a country was worse off for having a railway in it than before?—I am speaking comparatively; I say the country would have been better as compared with the towns without the railways.

26,158. Without a railway?—That is, if the towns had been without the railways also.

26,159. That is rather a singular view to take?—Perhaps if you consider it you will not say it is so singular.

26,160. I will not carry that further. With regard to the system of rating railways in Ireland, we have already had it in evidence that the system there is to take the full rateable value of the railway and then to divide that rateable value among the respective areas through which the line passes according to the train mileage run?—Yes, I am aware of that.

26,161. You possibly are aware that the Scotch system is to take upon the full value of the railway and then to divide it amongst the various rateable areas, not according to train mileage, but according to land mileage?—Yes.

26,162. Have you any preference between the two systems?—The land mileage appears nearer to my idea of perfection.

26,163. If you are to have a rateable area, do you think the rateable area gets its proper proportion as fairly by land as by train mileage?—You see I do not think a railway is a local thing at all, that is where you come to the difference.

26,164. I am asking you, if you please, as to two systems, if you will excuse me, and I want to know as between those two systems, whether you think an area gets its fair share of rates as well by the land mileage as by the train mileage?—It is a juster distribution by land mileage.

26,165. Juster by land?—It is a juster thing.

26,166. With regard to the valuation of the railway, how is it ascertained, are you aware, is it by the profits?—I am by what they say that it is by the profits.

26,167. Less certain deductions?—Less interest upon their expenditure, I presume, on rolling stock. I could not imagine them taking rates or sleepers or anything like that as part of it.

26,168. There are certain deductions with regard to, we will say, perishable material and so forth; do you think that is a good system or a bad system for ascertaining the value?—I think it is a fairly arguable system.

26,169. What other system would you suggest?—The simple system that I would suggest would be the net profits.

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26,172. Is that not the system at present?—No, it is the net profits less a lot of deductions for interest upon rolling stock and other things.

26,180. Rolling stock?—Yes, in no other way could you account for these valuations.

26,181. Have you any experience what the life of rolling stock is?—I have not the slightest.

26,182. Or as to how often it has to be renewed?—I have not the slightest. I know what is the life of any other stock that is required.

26,183. Of the waggons, for instance?—I am sure that all repairs and ordinary expenses of renewal are included in the deductions from gross in order to make net.

26,184. I will put to you the case of a railway that has to build 40,000 waggons a year in order to keep up its stock; do you not think some deduction should be allowed to that company when it is obliged to build 40,000 waggons a year in consequence of damage done?—I am sure that is included in these deductions to make the net.

26,185. I thought you were protesting against any deduction being made with regard to the rolling stock; do you not think a fair deduction is made in a case where a railway has to build a very large amount of new stock every year to provide for the injury and natural damage that is done to its rolling stock, and for the decay of that rolling stock?—In my opinion, wear and tear ought to be allowed for, and I think it allowed for in producing the net profits to which I refer, but I am not upon the rolling stock ought not; I believe it is also allowed, but I say it should not be if it is to be on an analogy with the houses which we have to put up for the shelter of our cattle, and on which we have to pay rates.

26,186. Then I understood you to say that you think some deduction is fair?—From the gross, certainly.

26,187. Now you have suggested that all railways should be made, say, assessable for the rates of the whole community and not of the area in which they are situated?—I do not get it in that form.

26,188. Take the case of a coal mine now; would you suggest that the rateable value of a coal mine which sits in one rateable area should be distributed over the other areas?—I think, with regard to mines, I would also say so.

26,190. A mine surely is available only in the area in which it is?—I say I think so; I agree with you, or rather I suggest so.

26,190. Then you would take the rating of a coal mine and you would distribute the rates which are sought and obtained from that coal mine over other areas besides the area in which that is?—Over the entire nation.

26,191. I think that is a fair analogy?—Certainly it is, but a gas works is not; I protest against the gas works.

26,192. (Mr. Smith) Do I understand that you would rate a railway upon the same principle that you would rate a farm?—I would.

26,193. That is on its net profits?—Not on its net profits, but upon its rate apparently.

26,194. Its rate?—Yes, which is a very different thing.

26,195. I thought you were saying you would rate a railway on its net profits and that there ought to be no deduction?—Yes, because they have deductions in that and the things which constitute a farmer's expenditure.

26,196. You agree with the principle of rating that obtains in England which is based on the hypothetical rent that a tenant would give for a railway?—I think so; I have no doubt whatever that any of these railways would get as rent the amount of their net profits from a company going into it now.

26,197. You would apply exactly the same system to so Irish farm?—I would, and I would be very glad to get so. I think if I got it in my farm, my landlord would get nothing at all, that is my experience.

26,198. Would you propose to compensate a town for the loss of rateable area covered by the works of a railway?—Less?

26,199. Let me put a case to you; suppose you have a town of, we will say, 1,000 acres and 10 acres of that is occupied by a railway station, which otherwise would be occupied by valuable rateable property; how do you

propose to compensate the town for that loss of value?—I think they are very well compensated by getting the railway and getting the workmen and the wages spent in them, and by the general advantage which the railway gives that particular place. I think it is far more valuable than what they lose otherwise.

26,200. Would it not be as much to their advantage to have it just outside their area?—I suppose, if it is fairly accessible, it would be just the same advantage; but there must be some advantage to a town when they go to such an expenditure to get a railway made it.

26,201. You are every acre of land in a huge town can be said to represent a certain rateable value?—Certainly.

26,202. If you distribute the value you receive, from that over the whole country, you practically strike it with exactly as the old saying was?—There is no doubt whatever in the first instance that it does appear that the valuation of the houses and businesses that were previously valued does disappear; but I think there are advantages which the town would be perfectly willing to submit to in having the railway.

26,203. (Mr. Arthur O'Connor) As I understand your representation, it is that railways are undervalued because, as illustrated by the two you have mentioned, the valuation scarcely amounts to one-third of the net receipts, is that the point?—That is so.

26,204. And that the net receipts are obtained by deducting the outgoings from the gross receipts?—Yes.

26,205. Can you tell me whether the cost of replacing rolling stock is included in the outgoings?—I have not the figures before me, but I have no doubt whatever that railway experts would always allow for repairs and materials in their annual statement.

26,206. If the cost of replacing rolling stock is deducted from gross receipts, and also you make an allowance from net receipts in any degree for the rolling stock to be replaced, that would be making the deduction twice over, would it not?—I think so; I think that is clear.

26,207. Now in paragraph 5 you say the valuation of houses is in one respect iniquitous, as evidenced by the ground rent in various localities; will you kindly tell us what you mean by that?—I am speaking now of—

26,208. Rural or urban?—It is entirely of urban districts that I speak, and especially I am referring to places within my own knowledge where the ground rent of localities has risen exorbitantly, and where the same expenditure produces an enormously larger rent as compared with other parts of the same town in which there is practically a standstill. That is illustrated by houses of ground rents at 2s. and 3s. a foot, which is a reasonable thing in the suburbs of Derby, and the ground rents up to 2s. and 3s. in the business streets. According to Mr. Barton, they are treated according to measurement. He goes in and measures the house, and apparently he has no consideration at all for the fact that the ground upon which the house stands is immensurably more valuable, and that the result of any expenditure upon it would be immeasurably more profitable.

26,209. You distinguish, therefore, between the structural and the site value of a house?—I do; I say they are in both cases under-estimated.

26,210. The structural value may be much the same for two houses, which two houses in reality are valued, or ought to be valued, at very different sums?—Certainly.

26,211. By reason of the difference in the value of the site?—I have one case before my mind of a very large rent of 180s., and it is valued at 80s.; that is lately. That is not iniquitous as compared with some of the existing ones, but this is a new house just brought before my mind, and it is strangely assessable as compared with the old value of that place 40 or 50 years ago. I say these things should be valued every year, or every five years or so, and the part which is progressive, and which is getting the full benefit of the progress of the town should pay rates accordingly.

26,212. There should be a periodical revaluation, bringing the valuation up as near as possible to the standard of the market value?—Certainly. I am still sticking to the principle of valuation, namely, the rent. I know of one house valued at 16s. and the tenth part of it was judicially decided to be valued at 10s. It had

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Railways should be valued as houses

Site value is what the house is worth as a house, not what it is worth as a house.

Revaluation is urban districts. There should be a periodical valuation.

Railways should be rated in respect of the rent which a hypothetical tenant would give.

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been re-valued and reduced, I think, from 131 to 151. The lower part of it was a shop which the man himself occupied; the drawing room he had refused a rent of 24s. for, but afterwards, and a room at the very top had been judicially decided, against my strong protest, at 10s. clear yearly value.

25,213. In connection, probably, with the claim?—Decidedly.

25,214. (Mr. Smith.) This valuation according to measurement is peculiar to Ireland, is it not?—I think it is the only way that the gentlemen can do it. I do not think they are actual experts. They have got some architectural knowledge and the idea of it, and I think that is the only way they have thought of it.

25,215. I think in England, if I am not misinformed, they value a house according to its locality, and the rent which is given for adjoining houses?—So I understand.

25,216. Not measurement?—Not measurement.

25,217. It is the valuation according to measurement alone that you object to?—Yes.

25,218. (Mr. Arthur O'Connor.) In paragraph 6 you say that "the distinction between land and houses for the purposes of the agricultural grant in Ireland is, in practice, most expensive to carry out, and, in principle, is not defensible. Practically the agricultural grant will be eaten up by the increase of staff making up rate books and copies for collectors, the claims being so small and so numerous." Here you say anything particular to say upon that?—I think that that expresses my view pretty clearly. I think a farm should be valued as a whole, and that this system of valuing a house as a rented house distinct from the farm is intelligible altogether. I think the valuation you put upon the farm should be the gross rent fixed by the sub-committee when they are valuing a farm. The other part of the paragraph has reference to the agricultural grant. I do not know whether the Commission will take note of it, but by reason of the separate valuation of the house and by the inclusion of house property from any benefits from the agricultural grant, a complete revolution has taken place in our rate books and valuations, and consequently expenditure which we are quite unable to bear has been spread by it. I have the word of the Chairman of our Finance Committee for that.*

25,219. Have you anything to tell us about the administration under the rule of the Local Government Board in connection with the recent Local Government Act, as bearing upon the question of local taxation and the equity of it?—I think it was clearly a tremendous mistake in the Act. It might not have concerned us very much, seeing how very little in Ireland there is except agricultural interest. The small towns and the houses are practically adjuncts of the farmers' land, and their business in supplying the farmers, we have not got the big manufacturing towns which you have here.

25,220. If you must have a valuation it must be pretty rural and partly urban, must it not?—Certainly, I am not applying it now to an urban district at all. I say they are properly excluded from the agricultural grant.

25,221. But inasmuch as the rates are all paid now by the occupier in Ireland under the recent Local Government Act, does it very much matter what the valuation is anywhere if they have to meet certain local charges; if you have a low valuation with a high poundage or a high valuation with a low poundage, the occupier have still to pay practically the same?—Certainly; if the valuation is low in the unit of taxation it is perfectly immaterial, but it is the expense I complain of.

25,222. If there is a common standard within any unit of the area, it does not very much matter what the standard of valuation is?—No; of course it comes to very much the same thing.

25,223. Because it would only affect the other factor, namely the poundage?—I only put that in as a protest against the way the Local Government Board made rules and Parliament passed a stringent provision that houses were not to get the benefit, although the houses

are plainly necessary for the farms. I presume the same thing applies to England.

25,224. Now, in paragraph 7, you say that there is liability as to allowances for houses and lands not occupied; what have you to tell us about that?—It has come under my notice that there is not a sufficient check with regard to the allowances for unoccupied houses. Houses are frequently occupied for a part of the year, and it is my experience that it is very largely neglected whether the rates are collected for that particular time.

25,225. That is rather a question of the collection of the rates?—It is.

25,226. That has nothing to do with valuation?—It has only reference to it as a factor in the total rate raised.

25,227. Then in paragraph 8 you refer to district rating and the effect of it, I suppose, on the sanitary improvement of towns and villages in the districts; what have you to say upon that point?—Under the new system now the Rural District Councils are dominated altogether by the purely farmer class. The small towns which previously supplied the Poor Law Guardians now only have a very infinitesimal proportion of the representation. Wherever it is proposed, as it is in my part of the country—Finnisheen—to bring in a water supply to the towns or to make the sewerage necessary for the place, it is immediately blocked by the majority of the Rural Councils, because of the district rating. Now the towns themselves would prefer to do their own improvements, and not to ask the district, but it is necessary, as the Local Government Board have decided that the whole rating must be district rating, and the result is that there is a dead-lock. The Local Government Board say go on, but the District Council says, no, we will not, and we cannot get anything done. I know that the two principal towns in Finnisheen are wanting improvements; one is absolutely without a decent supply of water, and in the other we have no sewerage at all, but we cannot get on.

25,228. What town is that?—Carnewagh is without water, and Buncrana is without sewerage.

25,229. Under what Act do these corporations come?—They are not corporations.

25,230. I mean for local administrative purposes?—That is what I am leading up to; I want to have a suggestion, if possible, from this Commission that we should have village councils for purposes of that sort.

25,231. Do they come within rural sanitary areas as rural sanitary authorities?—Yes, and the Local Government Board has not given them even the ordinary powers that they can by statute confer upon rural sanitary authorities. They have not applied them at all, and there is no possibility of getting on with any work as long as the district councils are composed as they are.

25,232. Then your representation is that necessary local works cannot be carried out because if they are, the cost of them must fall upon considerable portions of the people who derive no benefit from them?—Yes.

25,233. And these people oppose the carrying of them out?—Yes.

25,234. (Sir George Murray.) What is the remedy for that?—I should say village councils with particular areas.

25,235. Reduces the size of the district, do you mean?—Yes, makes it the district which has heretofore been contributing. For instance, in Buncrana we have a particular sanitary district responsible for the waterworks, and we are quite obliged to pay for it. It simply consists of a circle round the town. Now they hold that you cannot levy anything within that district, even for the works that were made, and that the whole district must pay for it. If you make, say, a village with the land immediately around it, the district—it is essential to limit it in that way and let those be responsible for all the sanitary improvements in the place. I think the sanitary improvements will go on, but at present they will not.

25,236. What is the population of Buncrana?—I should say it is between 1,000 and 1,200 at present; at the last census it was less.

25,237. How did they get their water supply?—By an application to the Local Government Board setting out a special sanitary rateable area which should be responsible for it, and then getting a loan under the

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Collection of rates. Allowances for unoccupied houses and lands not sufficiently checked.

Rural district councils which are largely composed of agricultural occupiers, are said to oppose sanitary improvements in the towns and villages. Suggested remedy is to have special areas.

* The witness subsequently wrote: "The agricultural grant is a subsidy in aid of land and not of houses fully occupied. In other words, houses are not allowed to share of the grant. The result of this is that the grant is not a rateable value but a separate subsidy in aid of the grant of the rate, the land grant would be the agricultural grant, and the houses and others paying the full rate."

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Local Loans Act and paying back the principal and interest out of that little area which was specially fixed for it.

26,238. Then that power of fixing special areas has been taken away, has it not?—It has; the Local Government Board say they cannot now have anything but district rating.

26,239. (Mr. Arthur O'Connor.) Was that an agglomeration of townlands?—No. A Commission was sent down and witnesses were examined to see what was land within the area likely to be benefited by the waterworks.

26,240. Did they divide any townland?—They did.

26,241. Then even townland is divided for that?—Yes, for purposes of that sort you can make any area you like; you can draw a circle round it.

26,242. (Mr. Elliott.) Do I understand that there is

The witness withdrew.

Mr. JEREMIAH JOHN HOWARD called and examined.

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Howard.

26,243. (Mr. Arthur O'Connor.) I believe you came to give an evidence in connection with local taxation in the capacity of Chairman of the Cork County Council?—Yes.

26,244. What have you to say with regard to the cost of building bridges and the making of new roads, the first point of your memorandum?—The cost of building the bridges and making new roads as well as maintaining them was exclusively borne by the occupiers of land until the year 1859, when, for the first time, the buildings and other property were made liable.

26,245. That is merely historical; you have no objection to that, have you?—I have not; I merely mention it to show how the occupiers had to bear it in the past.

26,246. Then they also had, as occupiers, to defray the cost of courts-houses, gaols, bridges, and lunatic asylums?—Yes.

26,247. And the general cost of valuation?—Yes. Then, when the valuation was completed, it was made the basis for levying the poor rate, and this rate was borne between landlord and occupier according to valuation and rent, while the landlord did not contribute anything to the cost of the valuation. The income tax as levied on this valuation, towards the cost of which the Government did not contribute, while they recognise their liability to contribute one moiety of the expense of the annual revision. I say they ought to pay a little more than they do in that regard.

26,248. Do you say that the cost of valuation ought not to be thrown as heavily as it is now upon the occupier?—Yes.

26,249. Because the Government got the benefit in respect of the income tax?—Yes. And they have admitted their liability to the extent of a moiety, though I believe that admission was made rather late—I forget what was the date—I think about 20 years ago.

26,250-5. Then, you say, that because the courts are used for the administration of justice, which is a national concern, the Government ought to defray the rates on the premises used for assizes, quarter sessions, and petty sessions?—Yes.

26,256. Or such portions of them as are used for national purposes?—Yes. At present the county has to pay all those charges, and I think, where the Government are using the premises exclusively for their own use, that they ought to pay on them.

26,257. Now, in paragraph 5 you say that "where land is let on lease for building, and whereby the rent thereof is secured by the tenant's outlay, and where the landlords would realize an increased sum if the lots were subsequently sold, they ought to contribute something beyond allowing rates on the rents paid. In any case, landlords ought to be assessed on the rent paid by the tenant, where the premises are vacant, and, in consequence, there is no assessment." Have you anything to say beyond what is there pointed?—That is my view of it. I think that beyond paying rates on the ground rent they have a valuable property, and they ought to pay as something on it, instead of that, whenever the premises are vacant, there is nothing as at all paid.

no statutory power at the present time for the creation of special contributory areas?—There is not.

26,243. It is not merely a question of administration?—It is not a question of administration. We must, according to the opinion of the Local Government Board, have district charges.

26,244. (Mr. Arthur O'Connor.) With regard to the preponderance of rural interests, which is your next point, I suppose you have said all you have to say upon that?—Yes.

26,245. And with regard to the special areas, I think we have gathered from what you have already said what your meaning is?—Yes.

26,246. Is there anything else you wish to put before us in connection with either valuation or any other aspect of local taxation?—No, nothing else strikes me. These are things I thought the Commission should not be without.

The witness withdrew.

26,258. You regard the landlord, then, as in occupation of vacant premises?—Yes.

26,259. And you think he ought to pay in respect of the premises that he so occupies?—Yes.

26,260. Then you say: "In such cases, while premises are vacant, the tenant has to pay the ground rent to the landlord while the landlord goes free, there being no assessment on vacant premises." What do you mean, exactly, by that?—When the premises are vacant the tenant has to pay the ground rent.

26,261. How can you say the premises are vacant if there is a tenant?—I say if it is unfurnished for the time being.

26,262. Do you mean that if a tenant takes ground for building purposes from a landlord and occupies it with buildings, those premises—the premises themselves—may not be let by him to any ultimate tenant?—Not for a year or two.

26,263. He may have an empty house while he has to pay ground rent to the owner of the ground?—Yes.

26,264. You think that that ground rent ought to be liable to pay rates?—Yes. Very often a house is occupied for a year or two, and it goes free then. Now a large city like Cork we have a great many such instances as that, and it is not fair to allow them to go free under those circumstances, in my opinion.

26,265. In the county of Cork, within your own area, I suppose?—Yes.

26,266. There are a number of houses, which are on the house-owner's hands, empty?—Yes.

26,267. In respect of which the ground rent is paid to the ground landlord?—Yes, and the local authority got no rates.

26,268. You think the ground landlord ought to be liable for rates to the amount that he receives?—Yes, I think so.

26,269. Then you say: "The Government now defray all the expenses of conveying prisoners after committal," but you claim that they ought to pay all expenses incurred before committal?—Yes.

26,270. Do those expenses incurred before committal now come out of the rates?—Yes, and for the last 12 years they have admitted their liability to pay after committal, but for the last 12 years only. I say they ought to pay the whole, before as well as after.

26,271. You say it is a national service, and ought to be defrayed by the Exchequer?—Yes.

26,272. Now, with regard to the Cork District Lunatic Asylum, which is a joint asylum for the county and the city, and has cost about 70,000, for enlargement and improvement in the last 12 years, what have you to tell us about that?—It is the joint asylum for the county and the city, and during the last 12 years the sum of 70,000, has been expended in the enlargement and improvement of the institution, of this sum the county is charged with the repayment of 38,000, and the city of Cork only 12,000.

26,273. How did that come about?—That is what I cannot know. I only say that it is unfair. The proportion of the instalments for the repayment of loans

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Administration of justice. The Government ought to defray the rates on premises used for assizes, quarter sessions, and petty sessions. The county has to pay all those charges, and I think, where the Government are using the premises exclusively for their own use, that they ought to pay on them.

Lunatic Asylum. The cost of improvement in the Cork District Lunatic Asylum has not been fully apportioned between

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to testify
and the
city
paying too
much.

seems to be on a basis of five-sixths to one-sixth, and is manifestly unjust to the county ratepayers, as it should be borne between the county and the city according to the respective number of patients from each county.

24,274. What is the respective number of patients?—About three to one.

24,275. Is it not the fact that a number of these patients, though they come immediately from the city, ultimately come from the county?—I would not think so; the county is well watched in that regard by the city.

24,276. What interest has the city to watch, seeing that they only pay 12,000*l* against 28,000*l*?—They want to keep it up; but that is a great injustice to the county.

24,277. Would it be that the city authorities are, in the matter of maintenance, interested in keeping out the county inmates?—No, they do not keep them out.

24,278. Therefore, they watch them, I mean, so as not to have them charged against them?—What I complain of is that the proportions should have been five-sixths and one-sixth. I say it is inequitable, because the proportion of the patients is something like three to one. We do not object in the county to pay on the basis of three to one, but we do object to the five-sixths and one-sixth. I do not know how it is arrived at, but it is a complete injustice, and it has carried much more money than that 70,000*l*. I have the figures here from the schedule of the Grand Jury of 1898, and I do not want to go beyond what I have figures for.

24,279. You do not know on what basis the figures 12,000*l* and 28,000*l*—making up together the 70,000*l*—were arrived at in the first instance?—I do not; it works out to five-sixths and one-sixth, and all the losses are worked out in that way. I do not know how it was done, but it is very unfair to us, and we have to complain of it in the county.

24,280. Is that the lunatic asylum which is situated at the end of the Mar Dyke?—Yes, it is Eglington Asylum.

24,281. Is that the only asylum that there is in the county of Cork?—It is the only public asylum; there are private ones.

24,282. (Sir George Murray.) How is the maintenance of the patients divided?—About three to one.

24,283. On what basis?—On the basis of the number of patients from each county.

24,284. Is it varied from year to year?—It is, but it is about three to one.

24,285. Is the number of patients tolerably uniform?—Tolerably so. The maintenance is all right, we do not object to that; that is on the basis of three to one.

24,286. How do you arrive at the three to one?—From the actual number charged to the city and county.

24,287. At any one time?—Yes.

24,288. Is the arrangement variable?—It is variable; it is based on the number from time to time, but it works out that way, say, for the last 10 years.

24,289. And your contention is that the cost of building ought to be on the same footing as the cost of maintenance?—Yes.

24,290. (Mr. Russell.) Has this expenditure on the enlargement and improvement of the institution come to an end?—No.

24,291. (Mr. Arthur O'Connor.) Is it by loan?—It is all by loan, and there are further large improvements necessary to be made now.

24,292. (Mr. Russell.) Is any sanction required by your borrowing money?—Yes, from the Board of Control in the past; but the Lord Lieutenant always controls it.

24,293. Do you tell us that the proportions in which the county and city are to contribute are not set out in any order?—It is an old arrangement that we of the county council had no cognizance of until we got into the management of it, and having known it, we entirely object to it, and we say it is unfair.

24,294. Have you brought the matter under the notice of the Local Government Board in Ireland?—I am glad to say that under the present Act that proportion is done away with.

24,295. Then this grievance will disappear?—I hope so. I do not know what will happen with regard to the buildings.

24,296. (Mr. Arthur O'Connor.) How is it done away with?—It is as regards the future management.

24,297. How is the incidence of the charge done away with?—In the matter of an auxiliary asylum at present; we have to provide auxiliary rooms.

24,298. In respect of this particular district lunatic asylum, how is the incidence of the charge done away with?—I am speaking of the future charges. I hope they will do the same to those past ones.

24,299. Take the charges for this year?—I hope they will be able to touch it, I am not coming to that, but in the auxiliary it is to be borne.

24,300. Please let us stick to this, and exhaust this before we go to the auxiliary asylum. In respect to the charge for the enlargement and the improvement of the district lunatic asylum, there is still payable by some body—either county or city—a certain sum of money in respect of the loans advanced for the work?—Yes.

24,301. That sum annually so payable is defrayed as between the city and the county in what proportions?—In the proportion of five-sixths and one-sixth.

24,302. Then this arrangement still continues?—I hope that it will not continue. I have here the actual sheet that is showing it; you will see the number, and so on. I hope, for the good of the county, it will not continue.

24,303. Can you tell us what claim there has been made against your county council in respect of this district lunatic asylum for the year in which we now are?—You have the minutes of the charges before you.

24,304. You are quite conversant with the paper there I am. Tell me, is the charge still as 18 is to 12?—It is; the charge is still that way so far as past arrangements are concerned.

24,305. Then it is not yet done away with?—No.

24,306. It is an existing grievance?—This is an existing grievance as regards the past.

24,307. (Mr. Russell.) Has your county council investigated this matter?—Yes.

24,308. One would suppose that the first thing that you would do would be to find out the authority by which the arrangement you complain of exists?—We are afraid that some of this is going on for 12 years; more of it is going on for nine years, and more of it for seven years; we are afraid that this arrangement being made with the Board of Works, possibly they will not change it, but I hope they will.

24,309. Is it within the competence of the Board of Works to change the proportions?—I do not know; I could not answer that.

24,310. (Mr. Arthur O'Connor.) Have you communicated with the Local Government Board with regard to this particular question?—Not with regard to this particular one.

24,311. (Mr. Russell.) Do you not think that that would be the first step that you should take?—I am afraid they are fixed; I am afraid we cannot undo the past.

24,312. Fixed by the Local Government Board?—Fixed by the Lord Lieutenant in the past.

24,313. (Mr. Arthur O'Connor.) As the tree has fallen, so you think it will be?—I hope a recommendation from the Commission may go back and give justice to the county. Perhaps you did not understand me a while ago, when I said the new Act—the late one—recognises the principle of the number of patients from each county, and the future chargeability will be therefore on a fair basis.

24,314. Is that retrospective with regard to the liabilities already incurred?—I cannot read that that it is; I wish it was.

24,315. (Mr. Russell.) Is there no section in the new Irish Local Government Act which deals with the relative proportions of the charges for a building such as that?—Is the past?

24,316. In the Act of last year?—As retrospective, is it?

24,317. Not retrospective; I mean dealing with the present condition of things, as between counties and

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county boroughs and their relative proportions of payment to ratepayers and, we will say, industrial schools, or any such public buildings?—There is, no separate future management—out as regards the park. If we want to spend 30,000, to-morrow morning, it will be done fairly by the Act.

25,318. But you say it is not retrospective?—I am afraid not.

25,319. You say no application has been made to the Local Government Board?—Not yet.

25,320. (Mr. Smith.) I suppose really the fact is that those proportions were settled according to the rateable value of the time the system was built?—I would not think so. I do not know what the basis was.

25,321. Can you conceive any other basis?—I cannot. I really do not know it. Our rateable value would not bring it out either. Then the repayment of those instalments is at different rates of interest; the first is at 2½; again, 2½; there is another then at 3½, and then there is another at 2½. My counsel claims that the Government ought to advance us the money at the lowest rate at all, *crucis*—that is, at the 2½; they have given us this at the money at 2½.

25,322. (Mr. Arthur O'Connor.) Within what period of time is this loan repayable, do you know?—I could not tell you.

25,323. Is it spread over 30 years?—According to that account, the first is the 26th of 28 instalments, the second is the 21st of 28 instalments, the third is the 10th of 28 instalments, then the tenth of 100 instalments, then the sixth of 30 instalments, and so on.

25,324. Then it is perfectly clear that some of it is spread over 30 years?—Yes.

25,325. The 2½ per cent. is only the rate allowed where the repayment is to be made in 30 years?—Yes, that is so.

25,326. Then in paragraph 8 you say that "the ratepayers of the 27 rural divisions of the Cork Union" are most injuriously affected by the enforced adoption of union rating, and money of these will be placed "financially in a worse position than they occupied" before the passing of the Local Government Act; would you explain to us what that means?—The 27 rural wards.

25,327. Electoral divisions, rather?—Yes, electoral divisions. The sum transferred this year by reason of general union rating from the city of Cork to the rural divisions amounts to 5,704, or half the whole amount of the agricultural grant to be paid to this union, namely, 11,408. We claim that, as Cork Union comprised two counties, that is, the county of the city and the county, the assessment for the rates should have been born between them in proportion to the number of paupers as heretofore chargeable to each county, and as it was the case for the lunatic asylums of the city and county.

25,328. Suppose that was done, what would be the result?—The result at present to the ordinary rural taxpayer is that he gets no benefit by the late Local Government Act.

25,329. Does the city get any advantage?—The city gets a great deal by it.

25,330. We would be glad if you would kindly explain to us how it is the city benefits at the cost of the county?—I will show you. The numbers chargeable to Cork City from the year 1893 to the year 1898 were 1,171, 1,280, 1,493, 1,628, 1,575, and (in 1899) 1,629.

25,331. Chargeable to the city?—Yes, to Cork City. That was so since the inception of the union; that is, the city had to support its own poor. But now, by this Act, you throw over this whole chargeability on to the rural portion of Cork Union, and you thereby do away with the effect of the Act, so far as Cork Union is concerned, and the rural portion of it.

25,332. I do not quite understand; if you throw over the cost of the maintenance of those 1,500 or 1,400 or 1,600 paupers from the city of Cork on to the county, the city would not pay anything?—It is made general.

25,333. What you mean is, that there is only a portion of the cost thrown on the county?—I will give you the other portions. Taking last year, in 1898 Cork City had to maintain 1,659, the divisions had to maintain 153, and the union at large had to maintain 572; then the proportion of the union at large to Cork, according to valuation—

25,334. Is 10 to 1?—Up to March 25 that would make 300 additional on the city, that is, 1,963 chargeable to the city. By the late Act you make it a general union, and I hold it would be fair enough except in the case of Cork. We, I believe, are exceptional in all Ireland, and I hold that as we were made two separate counties for the purpose of the lunatic asylum the same should have been done in the case of the poor law.

25,335. You see you are perfectly familiar with all these details, but we are not; they are new to us, and you will have to explain the facts before we can quite appreciate your point of view. Is it the fact that there used to be two separate unions, one for the city and one for the portion outside the city, which two unions are now united?—No.

25,336. What are the facts then?—The facts are that there were 28 separate rateable areas, 27 of those being the rural portion of it.

25,337. They were 27 electoral divisions?—Yes.

25,338. Representing the rural portion of the Cork Union?—Yes; and then the 28th is Cork City proper. The valuation of Cork City at the last valuation was 171,194, and of the rural divisions 294,761. Cork City had to maintain their own paupers, and the county had to do likewise, as regards the county paupers; but by a most unfortunate change for the county you introduced the system of union rating, as I maintain unfairly.

25,339. Of a general union charge, you mean?—Yes, and I maintain it is unfair, inasmuch as we were totally separate, and had separate interests.

25,340. Let me see if I apprehend your position; once upon a time there were 27 rural divisions in Cork Union?—Yes.

25,341. And there was one division for the city?—Yes, that is so.

25,342. The valuation for the city was 171,000?—Yes.

25,343. And the number of paupers which could be transferred to the city was something between 1,200 and 1,700?—That is so.

25,344. On the other hand, the rural divisions of the county, valued at 294,000, have only 153 chargeable to the separate electoral divisions, while 572 paupers were chargeable to the union at large, that is to say, distributable as between the city and the other 27?—Yes.

25,345. Now, instead of having charges in respect of the electoral divisions from which the paupers came, you have a union charge with a very heavy burden which before was borne exclusively by the city of Cork, and is now in large part thrown upon the rural divisions; is that it?—That is it. But if you will allow me to read the next paragraph of my memorandum, it explains to you what we maintain to be the utter unfairness of throwing the city on to the county.

25,346. I know that; that is with regard to the valuation of premises?—Quite so.

25,347. Let us, first of all, complete this paragraph 8, which appears to me to have a certain amount of substance to it?—Very good.

25,348. (Mr. E. Wood.) This extra burden upon the rural divisions of the Cork Union has been brought about by reason of the passing of the Local Government Act, has it not?—Yes.

25,349. When the Local Government Act was passing through Parliament was any communication made by your county council to the representatives of Cork in Parliament?—There was.

25,350. Was the question raised in Parliament at all?—No. We sought an interview with Mr. Balfour, and I believe the understanding was that there would be a revaluation.

25,351. If there was a revaluation, would that result in the disappearance of this grievance?—I certainly say it would to a great extent.

25,352. (Mr. Arthur O'Connor.) The revaluation is one thing, the change from the charge as an electoral division to the charge as a union matter is another thing?—Quite so.

25,353. (Mr. E. Wood.) That being the case, as I understand you, a revaluation would be a remedy for this grievance which you present to us?—We will stop complaining if you give us a revaluation. But I am

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speaking to you now knowing very well that if a revaluation comes, it cannot overtake us for the next six years, and for that six years the full benefit of Mr. Balfour's Act is lost to the rural portion of the Cork Union.

25,354. And there is a corresponding gain, of course, by the urban portion of the union?—The city gains, but we are different estimates altogether.

25,355. I notice that, in paragraph 10, you suggest that the Government should make up the deficiency to the rural divisions of the county of Cork, and consequently, as I understand, you propose that the city should keep what it gains?—Yes.

25,356. But is the equity of the case not really between the city and the rural portions of the county, not as between the rural portions of the county and the Government?—It is the Government who have sent this 5,700L on us, and whilst I say that if we get a revaluation we will be satisfied, I am not satisfied, and neither are the county parties of the union here, until whatever time a revaluation comes; and in the meantime, as they have thought fit to make a payment of 5,700L from the county to the city, they ought to recover the county in full justice, in my opinion, until their revaluation comes.

25,357. I suppose you would suggest that at the present moment the valuation of the city is possibly too low, and the valuation of the rural districts too high?—I mention that in paragraph 9; we have worked this out as carefully as we could.

25,358. I am not quite sure whether, in replying to a question just now, you told me that your representatives had placed this matter before Parliament, when the Local Government Act was under discussion?—Yes, I have here a report that we prepared. It is signed by Sir George Colthurst, myself, Mr. Linschaw, Mr. Townsend, and Mr. Atkins. We sent a copy of this to Mr. Balfour, and by public regulation of our board a deputation was appointed to wait upon him, and his reply was that that it was too late to go on with it.

25,359. Were you satisfied with that reply?—We were not satisfied, but we had to take it.

25,360. No, not at all; we do not have to take things in this country. Being dissatisfied with that reply, did you take any steps to bring your case before your local representatives, that is, before the Members of Parliament who represented the county of Cork?—We did.

25,361. What happened?—It was then too late. We did not know this was done until the very last moment. As a matter of fact, as the matter of the future anytime you have treated us fairly; you have made each in future pay in proportion to the number of ratepayers from each county, and we only ask that each be separate in the same way, so far as the paupers go.

25,362. When the Local Government Bill was introduced, did you immediately take steps to get a report from your officers as to the effect upon the county of the proposals of the Government?—As soon as we could, and we were told it was rather late, but we lost no time the very minute we saw what would happen.

25,363. (Mr. Smith.) I did not quite understand what you meant when you said it would take six years; is that to get a revaluation?—I am only guessing; I think possibly it may be that.

25,364. Would there be any practical difficulty in revaluing Cork City in one year?—I do not know how long it would take; these things take a lot of time. If you did it in one year, we would not grumble over it; we want only justice.

25,365. I only wanted to understand why it should necessarily be six years. Under the Local Government Act a county borough has power to effect a revaluation whenever it thinks right, has it not?—Cork is a large place, I am only guessing; I do not know how long it would take.

25,366. (Mr. Arthur O'Connor.) I am afraid it would be a very hard case for you if you were responsible for all the shortcomings of your representatives in Parliament?—Indeed it would, of late years especially.

The witness withdrew.

25,367. In paragraph 9 of your memorandum we come to the question of valuation?—That bears on the last, if you will allow me just to say so.

25,368. By the present arrangement rural divisions are most unfairly overrated?—Yes. Of course it is very wrong to assume that out-of-the-way county districts ought to pay more in the same proportion as valuable city property could afford to do, that is, assuming they were all valued fairly. I hold we are two separate parties altogether. They are valued for trade; we are valued for agricultural purposes, and I am sorry to say that agriculture has depreciated in value.

25,369-70. You take, for example, a house valued at 40L per annum in the city of Cork, and a farm valued at 40L, 15 miles from Cork, which, you say, are now treated equally in the matter of taxation; that is to say, the house property in the city of Cork brings, in many instances, a rent two or three times the valuation and they are only asked to contribute on the valuation, in the same way as land, now admittedly depreciated, in some instances, fully 50 per cent. The point of that appears to me to be this; that the valuation in the city of Cork is too low?—I do not make a special point against the city of Cork, and I would not refer to it at all, only that the rural ratepayers have been very largely treated. I maintain that it is unfair to tax a farm, say not in Donaghadee—that is a part of one district which is 15 miles from Cork—where anywhere that you have fixed rents since the valuation of 1854 they have gone back a half?—I do not care whether it is in the Land Court, or whether it is under the Ashbourne Act, or whether it is by agreement—that valuation has gone down fully 50 per cent; whereas, in the city of Cork, houses are valued at 40L, and they may be bringing as three times that rent. There is no such thing as a house in Cork or in any other city, I hope, bringing in anything less than the valuation.

25,371. That is to say, whether fairly or not, 40 years ago two properties, one in the city and one in the rural district, were valued at a similar sum; but the property in the city has gone up two or three times in value?—Yes.

25,372. Whereas the value of the county property has depreciated very much?—It has.

25,373. So that there is an immense disparity between them at present?—Yes.

25,374. And yet they still remain valued as they were many years ago?—Yes.

25,375. There is, therefore, in your opinion, room for a revaluation?—That is the essence of it, and, as I said before, we would be satisfied if that existed.

25,376. You think that if this revaluation were carried out equitably, the incidence of charge as between Cork City and the rural electoral divisions of the Cork Union would be, to some extent, at any rate, redressed?—Indeed, if that were done, I would not be here on that point, that is, if we got the revaluation immediately.

25,377. Is there anything else you wish to add?—I hold that the rural ratepayers of the Cork Union are justly entitled to a contribution in lieu of rates from the Government of 5,700L, as otherwise the Local Government Act would be a nullity to them. I am here to explain to you, and I can show you by figures of the present rating and the past rating, that in consequence of this money which has been put on us, the average ratepayer in one of the largest unions still in Ireland is bound to suffer whilst there is some redress to the extent of that 5,700L, and, as you will see, that is fully half the amount that is paid to the Cork Union from the agricultural grant.

25,378. (Sir George Meenan.) But the average ratepayer in the urban district is probably, to that extent, benefited?—Yes, there is no doubt about that.

25,379. (Mr. Elliot.) Would you take that benefit away from him?—I do not cease to say that. You had a right to treat us as you did in the matter of the future anytime; but in this case you are taking away from us what you gave us. You gave it to us by one hand, and you are taking it away by the other.

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Valuation. The rural districts are at a disadvantage compared with the urban. Property in the rural districts has decreased in value and has increased in the urban while the valuation remains the same.

Local Government (Ireland) Act, 1898. Effect upon the rural ratepayers is not advantageous.

Mr. ROBERT FINLAY HERON, M.A., called and examined.

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22,380. (Mr. Arthur O'Connor.) You are the Secretary to the Blackrock Urban District Council, I think?—Yes.

22,381. And Executive Sanitary Officer?—Yes.

22,382. You put before us a draft scheme of evidence* which you have desired to lay before us, including a short description of Blackrock?—Yes, I have.

Rates in
Blackrock
Amount of
the rate in
the £.

22,383. I see from that, which gives a return of population, valuation, and township rates, that the rate in the £ in Blackrock has gone up, from the year 1872-3 to the year 1899, from 3s. 6d. to 5s.—Yes; but that 5s. is for a pair of some months only.

22,384. Then it would be more for the complete year?—Quite so. The present is rather an exceptional year because there were certain outstanding liabilities which were paid off in the year by an order from the Local Government Board. They required the rating bodies to clear off all existing liabilities in order that, on the election of the new councils they might, as far as possible, be out of debt, which is the cause of the rates being so high in this particular period.

22,385. Apart from that, what would be, do you think, the total for the year?—I should say about 5s. would be the normal township rate for the year.

22,386. An increase of about 80 per cent. as compared not only with 1872-3 but with the year 1890?—Quite so.

22,387. Enumerating the rates in your district you put down the township rates at 4s. 7d., the poor rate at 6d., the police and bridge rate at 9d., and, fourthly, you put the income tax at 8d. in the £. Why do you include income tax as a local rate?—Because it is a charge on the property in the district. If a man has a house, he has to bear all these rates, including this 8d. in the £ for income tax. It is one of the local burdens which he has to sustain on account of his property.

22,388. Would you also include excise licenses?—That is not general, but the income tax is on all property. The excise licenses would be on particular individuals.

22,389. The income tax goes to the Exchequer?—It does, but it is borne by every holder of property in the district.

22,390. And so is the Tobacco Duty borne by every consumer of tobacco within your area?—Yes, but not in a direct form on property.

22,391. I want to understand what your idea was in inserting the income tax as a local charge, because we are only concerned with local taxation, and I thought income tax fell within Imperial taxation?—It is an Imperial tax, but it is imposed directly on property. I brought it in merely to show the total burden in the way of taxation which a holder of house property has to bear in the district.

22,392. In paragraph 6 of your memorandum you tell us that, while the valuation and population are practically at a standstill, local rates have seriously increased?—Yes, you see that, according to that Table showing the valuation and the population, our population in 1872 was 5,089, whilst in 1891 it was 8,189.

22,393. Yes, but why has the valuation not increased; the value, surely, of Blackrock has increased in the last 20 years, has it not?—Very slightly. There is very little building going on.

22,394. I distinguish between your recorded official valuation and the value; do you think a house in Blackrock could be got now for the same rent that would have secured it 20 years ago?—Yes; I do not think there is very much difference in that.

22,395. And land in Blackrock is no more valuable now than it was 20 years ago?—Of course land for building purposes would be, if you could get at the site value.

22,396. Do you think that land for building would cost more now than it would have cost 20 years ago?—Yes, undoubtedly.

22,397. Then the value of such land has gone up?—Yes, quite so.

22,398. There has been an increase in building in Blackrock in the last 20 years, is that so?—Very slight.

22,399. But such as is represented in the increase in the valuations from 44,000 to 46,000?—Not altogether,

that, I think was due, to a great extent, to a tramway being laid down.

22,400. Are there any increases in the valuation which secure a percentage to any officers interested in them?—No, I do not think so.

22,401. I mean officers who have to report to the Valuation Office enlarged or new buildings?—Of course, as you are aware, the Commissioner of Valuation is the sole valuation authority, and he has a staff who go round.

22,402. Is there no local officer whose duty it is to report to the Commissioner of Valuation, new buildings?—Yes.

22,403. Who is that authority?—The poor rate authorities up to the passing of the Local Government (Ireland) Act, but this duty is now transferred to the county and urban district councils.

22,404. Was that poor rate authority interested in a certain percentage in respect of rates levied in his area?—Quite so, they levied the rates then.

22,405. Then there was certain property which it was the interest of somebody to report when assessable?—The way the matter stood was this: It was the business of the collectors of the poor rate authorities to make returns of new or enlarged buildings to be rated, and that information was sent to the Commissioner of Valuation. I am not clear that their interest was very great in increasing the valuation.

22,406. Great or little, was there a difference in respect of the rateable property in this regard, that a valuation which increased the percentage of certain officers was pretty common to be reported, but a valuation which did not increase that percentage would pass unreported?—I understand. Of course, the poor rate collectors would have that advantage, it would be to their interest, undoubtedly.

22,407. Therefore, when you got an increase of property in the shape of tramways which brought a percentage to the local officer, that increase was reported?—Quite so.

22,408. But where building land went up in value, and was not so easily suitable for the purpose, that increase of value did not get reported?—I think not.

22,409. So that the value of land in Blackrock may have gone up during the last 20 years without being reported, whereas anything in the way of an enlargement of building which is readily recognisable, and of the construction of tramways, would be reported?—Quite so.

22,410. Because it brought in a percentage to an officer locally interested?—Quite so.

22,411. Now, then, valuation and population being practically at a standstill, the local rates have seriously increased, and you say this is due, to a great extent, to the fact that the Legislature is constantly putting additional burdens on the local authorities; what are the additional burdens which have been placed on the local authorities of Blackrock during the last 20 years, if any?—They have got to provide houses of improved sanitary character for the working classes.

22,412. Have they?—I take it that they have.

22,413. How many houses for the working classes have been put up in Blackrock in the last 20 years?—It is only within the last two years, I may say, that any have been built, but during the last two years we have built about 25, viz., 18 ships and 7 houses.

22,414. (Mr. Elliott.) Have these houses been erected by the local authority?—Yes.

22,415. (Mr. Arthur O'Connor.) The population remaining the same?—Yes, the population being the same, or practically the same.

22,416. Then you tell us that the duties formerly discharged by the police in connection with the Weights and Measures Act are now thrown upon the local authority?—Yes, that is so.

22,417. And the provision of public parks also?—Yes.

22,418. Have you provided a public park in Blackrock?—We have.

22,419. What does that cost?—About 3d. in the £.

22,420. That has improved the amenities of Blackrock, has it not?—It has, undoubtedly.

Mr.
R. Finlay
Heron,
M.A.
22 Nov. '92

Notes,
inserted in
Blackrock
Returns for the
Commissioner
additional
burdens
have been
placed on
local
authorities
while the
valuation
and popu-
lation have
remained
about the
same.
But it is
argued that
the valuation
of Blackrock
is too low.

- Mr. R. P. Kelly
Jura.
M.A.
22 Nov. '96
- 26,421. Do you think it has increased the value of Blackrock?—I do not think it has increased the letting value of the property.
- 26,422. Then you have to inspect workshops; have you any workshops in Blackrock?—We have not brought this Act into operation, but, of course, we might be called on at any time to do so.
- 26,423. Then you are expected to provide a system of main drainings and better sanitation?—Quite so.
- 26,424. Have you realised that expectation?—We have provided a most expensive system of drainage which costs us 1s. 6d. in the £ for the main drainage alone.
- 26,425. And better lighting?—We have provided that, too.
- 26,426. And improved the condition of the highway?—We have done that.
- 26,427. All that has been done recently?—Yes.
- 26,428. And in spite of all that, you think the value of Blackrock has not substantially increased?—I am afraid not.
- 26,429. How do you account for the fact that, with a population no less, but with a heavy expenditure through 30 years in improving roads, in improving the drainage and sanitation arrangements, in better lighting in the provision of public parks, and so on, the value of the neighbourhood has not gone up?—That I cannot exactly say.
- 26,430. Then I put it to you plainly, that the value of Blackrock has gone up immensely, and that you are very much undervalued?—You think that the valuation is too low?
- 26,431. That is what I am saying—I am putting it to you; is it not so?—Well, I am not prepared to say, possibly it may.
- 26,432. (Mr. Wharton.) You say 30 houses have been built by the local authority in the last two years?—About 40 or 50.
- 26,433. I am not concerned to speak with the number of them, but I should like to know, out of curiosity, whether you can tell me what the cost of them was per house?—We build different classes of houses, and on an average they cost about 200s. per house, and this does not include the cost of acquiring the site. We lose on these houses annually a sum equivalent to at least 1½d. in the £ on the rateable valuation of the township.
- 26,434. Perhaps you could tell me what the rent of the 300s. house is?—That would be a little difficult, because there are three-storied houses, and the lower houses let for more than the upper houses, although they probably all cost the same; the rents are 2s. 6d. and 3s. 6d. a week.
- 26,435. What rent do you get in proportion to your capital expenditure?—I have never worked it out exactly in that form.
- 26,436. How is it not been a matter of interest to the local authority to know how much percentage they are getting on their expenditure?—They know what they lose on the houses.
- 26,437. We will put it in that way if you like, what is the loss on these?—It amounts to about 300l. a year.
- 26,438. The loss on 30 or 40 houses is 300l. a year?—Yes, on the whole scheme that is equivalent to 1½d. in the £. The total cost of the scheme was 16,000l., and the loss on it would be nearly 2 per cent.
- 26,439. (Mr. Egan.) This 4s. 7d. for township rates includes the water rate, does it not?—It does.
- 26,440. In the table you give in paragraph 28 of your memorandum, you put the water rate at 3s. in the £, that is a misprint, is it not, for 5d.?—Yes, it must be 5d. would be the water rate.
- 26,441. Is that water rate levied by the Township Commissioners?—Yes, but 4s. varies.
- 26,442. Do the waterworks belong to the township?—No, they belong to the corporation of Dublin, and we pay them 24d., nearly 2½d. per thousand gallons.
- 26,443. (Mr. Smith.) Would you mind telling me what sort of rents obtain in Blackrock, giving the maximum and minimum?—Do you mean for ordinary houses?
- 26,444. Yes. I do not mean very poor houses, but ordinary dwelling houses?—From about 10s. up to 150s. a year.
- 26,445. You have houses at 150s. ?—Yes.
- 26,446. Would those be new houses?—No, old houses.
- 26,447. That would be about your maximum, I suppose?—There are probably half a dozen houses in Blackrock the rent value of which is from 250s. to 600s. a year. Of course, where there is land, it would be more.
- 26,448. Would you have a good many houses at about 100s.?—I should say the greater number of the houses would be about 50l. or 60l.
- 26,449. That would be the rent that a stranger would have to pay if he wanted a house at Blackrock to-day?—Yes.
- 26,450. Will you kindly tell me what a 50l. house would be rated at?—It would be valued, I suppose, at half of that—about 25s.
- 26,451. You think that a fair valuation, do you?—That I have not quite considered.
- 26,452. Why should it be valued at half? why should not it be valued at the real rent?—You see you have to take off a deduction for rates, taxes, and repairs.
- 26,453. I am quite prepared to make all those deductions; but you cannot get it below 40s., can you?—I think you would get it lower than that.
- 26,454. What would you take off a 50s. house if you were making a fair valuation?—I think you should take off 20s. at least; you must take off for the rates and for the repairs and insurance.
- 26,455. Are you at all acquainted with the principles of valuation as they obtain in England?—I cannot say I am, because valuation is a department that we have had nothing to do with in Blackrock.
- 26,456. Do you know of any case in which so much as 20s. is taken off 50s. for the purpose of arriving at the rateable value?—No, I do not know anything of the details of the English system.
- 26,457. Do you adhere to that opinion, that 25s. is a proper valuation for a 50s. house?—No, I say that that is the valuation put upon it.
- 26,458. I asked you what is your opinion as to the fairness of it?—I am rather disposed to agree with the view thrown out by Mr. Arthur O'Connor, that probably Blackrock is under-valued.
- 26,459. And of course if it is under-valued the amount of your rates is the £ is altogether fallacious?—Of course they would vary according to the valuation.
- 26,460. (Mr. Arthur O'Connor.) Passing on to further paragraphs, I see that in paragraph 8 of your memorandum you state that in your township poor rates are assessed on the full value of the railway?—Yes.
- 26,461. Are you quite sure of that?—Yes, I believe that to be so.
- 26,462. How does it come within your township that full poor rates are levied upon the railway; is that not something exceptional?—No, I think the poor rates are assessed upon the full value of land and railways throughout the country.
- 26,463. Do you know anything about railways being assessed at one-fourth for any purposes?—The way the matter stands is this: In most towns in Ireland railways are only assessed on one-fourth of their actual valuation under section 68 of the Towns Improvement (Ireland) Act, 1854, but in our particular township, and in Fombrake and other places—I am talking now about township rates—they are assessed on five-sixths of the valuation, only one-sixth being taken off.
- 26,464. Do you see any reason why railways should not be assessed on their full value, just as land or any other form of property?—On the contrary, I think they ought to be assessed on their full value.
- 26,465. You would not, I suppose, assess them higher than anybody else, but there is no reason why they should be assessed lower?—No, I would assess them exactly the same.
- 26,466. Now in paragraph 9 you say that in Fombrake the owners of occupied houses are liable for the township rates?—Yes, that is so.
- 26,467. In Blackrock they are not?—If the premises are unoccupied on the day on which the assessment is made, no rates can be imposed until they become occupied.
- 26,468. That is due to a difference in the local Acts, I suppose?—Yes.

Mr.
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Jura.
M.A.
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Houses
for the
working
class
built by
the local
authority
in Black-
rock.
Cost of.

Railways
should be
rated to
the same
extent as
other
property

Water
rate in
Blackrock.
Amount.

Valuation
in Black-
rock.
The valuation
is probably
too low.

Unoccupied
houses in
Fombrake.
I am not
liable for
the town-
ship rates

- Mr. N. Finlay Murray, M.A.
29 Jan. '99
- Four rate should be struck annually and not be levied half yearly.
- 26,460. So that by reason of the existence of local Acts you have in different parts of Ireland, and sometimes in very close juxtaposition, totally different arrangements?—Yes.
- 26,470. Which it is very difficult to reconcile on the point of principle?—Yes.
- 26,471. Then you tell us that you would be in favour of a poor rate struck annually?—Yes.
- 26,472. But gathered by two instalments?—Yes.
- 26,473. Instead of two separate rates made each six months?—Yes. The striking of this rate twice a year involves the preparation of two estimates and two sets of rate books, &c., in fact a duplication of all the work, and the cost of this is very considerable. I cannot see that any possible good is derived from it: it is not of any convenience to the ratepayers.
- 26,474. Do you think there is any reason why you should not do that now?—We have no power to do it.
- 26,475. You have no power?—No. I refer you to the 1st section, sub-section 4, of the Local Government Act which provides:—"Such poor rate shall be made either immediately prior to, or at the beginning of, the first six months of the local financial year and the second six months of that year, and shall be made in respect of the service of such first six months or second six months, as the case may be." I hope that, in an amending Act, this matter may be put right, because it puts a serious tax on the country.
- 26,476. Then, in paragraph 12 of your memorandum, you say—"The system of valuation in this country (Ireland) is far in advance of that in operation in England"—as in the case of Blackrock, I suppose—because it is carried out on a uniform basis." Are we to understand that the basis adopted in Blackrock is uniformly adopted throughout Ireland?—Yes; what I mean to say by that is, that in Ireland there is one valuation authority, namely, the Commissioner of Valuation, whereas in England there are assessment committees all through the country, which might not adopt exactly the same principles.
- 26,477. You are in favour of one valuation for all purposes?—Yes, for all purposes.
- 26,478. And one valuation authority?—Quite so.
- 26,479. But I suppose you do not altogether approve of the position which is at present reached under the system which has obtained; I mean as regards the figures of valuation in certain parts of Ireland?—Quite so.
- 26,480. You would like to have a revaluation?—Yes, I think that is very necessary.
- 26,481. You would like to have a revaluation of Blackrock?—Quite so. I think that would be important. I also think that possibly some improvement could be made by having a local valuator—possibly the township surveyor—with an appeal to the Commissioner of Valuation.
- 26,482. You think there might be some kind of co-operation by Local Authorities, or by persons with special local knowledge with the Commissioner of Valuation or his representative?—Exactly.
- 26,483. For the purpose of revaluation?—I think that would be a very valuable thing.
- 26,484. You think at present that local knowledge is not altogether readily available by the Commissioner?—Quite so.
- 26,485. Now, with regard to the valuation of Government and railway property, you object, I believe, to certain exemptions and deductions which are now made?—Yes, I do not see any reason why Government, railway, or tramway property should not be assessed on their full value for all rates, or why any deduction should be made off the valuation of land.
- 26,486. You think that if the Government occupies a certain area of your district there is no particular reason why it should not pay as much rates as any other occupier would if the Government was not there?—Yes, quite so. Government property occupying a due proportion of rates is in effect taking no contribution in another form to Imperial taxation which we are very unwilling to do.
- 26,487. An undue burden is thrown upon the Local Authority for Imperial purposes now by reason of the under-valuation of Government property?—Exactly; that is my point.
- 26,488. (Sir George Murray.) How is the Government property under-valued?—It is only valued on what are called the half-rents. Further, in Blackrock, and I believe all throughout Ireland, there is no power of recovering the township rates on the half-rents. There is no occupier, as it were, for Government property, and although the Commissioner of Valuation returns the half-rents, he cannot assess the rates on those half-rents; that is, he cannot legally recover them. We have tried to do so in Blackrock, and have failed.
- 26,489. Do you say that the Government property in Blackrock is only valued for rating purposes of half its proper value?—I do; I think it ought to be valued—
- 26,490. As a matter of fact, what is it?—It is only valued on what are called half-rents.
- 26,491. Does that mean that it is valued on half its real value?—Yes, I suppose it does; I take it, that that is what it means.
- 26,492. (Mr. Arthur O'Connor.) You have already told us that a house valued at 50*l.* would be valued at only 25*l.*; that seems very nearly the half, does it not?—Yes. This is a matter that I cannot assist the Commission very much about, because it is really more in the department of the Commissioner of Valuation. He returns to us what are called half-rents on Government property, and, owing to a defect in the law, we cannot recover the urban rates on those half-rents.
- 26,493. (Sir George Murray.) Supposing there is a house used as a Post Office, and a house used for another purpose, do you mean that they do not appear in the valuation book at the same value?—No, they appear at quite different valuations.
- 26,494. Do you mean that one appears at half the value of the other?—I do not know exactly how the Commissioner of Valuation arrives at what are called the half-rents, but no matter how they are arrived at, we do not get any rates from them.
- 26,495. No rates at all?—Not any township rates.
- 26,496. But you get a contribution in lieu, do you not?—The contribution is extremely small; it is only 2*l.* 9*s.* in the year.
- 26,497. (Mr. Elliot.) 2*l.* 9*s.* 2*d.* you say in your memorandum?—Yes.
- 26,498. (Sir George Murray.) Is that less than it would be if it was occupied for some other purpose?—Much less.
- 26,499. How much less?—The amount of what is called half-rents in Blackrock on the Government property is 35*l.* 10*s.*; take it as 40*l.*; if we could assess a 5*s.* rate on that, it would come to 18*l.* as against the 2*l.* 9*s.* 2*d.* we receive.
- 26,500. Do you mean that property which is valued at 40*l.* would, if it was in the occupation of anybody but the Government, be valued at 80*l.*?—That, I am not at the moment quite clear about, but I say even taking it as valued at 40*l.* it would be subject to the ordinary rate of say 8*s.* or 9*s.* in the *l.*, and that would give 18*l.* as against the 2*l.* 9*s.* 2*d.* which we get.
- 26,501. Do you say the ordinary rate in Blackrock is 8*s.* or 9*s.*?—Yes, it comes up to that. I have a table in the memorandum showing what the rate is. It would be equivalent at the present state of the rates to 3*s.* 2*d.* in the *l.*, but that is including income tax.
- 26,502. Do you gather that from your Table in paragraph 28?—From the table in paragraph 5.
- 26,503. Leaving out the income tax, it is only 6*s.* on page 47?—That is for the half-year 1896, but a little further down you will see, "The rates in this district for the half-year ended 31st March, 1900, will be as follows," they come to 6*s.* 7*d.*
- 26,504. What contribution will you get from the Government for that year?—Towards that?
- 26,505. Yes?—The only direct contribution we get is about 23*l.* 10*s.*
- 26,506. I mean the contribution in lieu of rates?—In lieu of rates in 1898 we got 2*l.* 9*s.* 2*d.*, it is now considerably less than it used to be.
- 26,507. Less?—Yes.
- 26,508. Why?—I think the Treasury assume that we are able to collect the rates on those half-rents from the owners, and that they take credit for this. However, in Blackrock the matter does not interest us very much, because the Government property is extremely small. It is a thing I do not make much point about.
- Mr. R. Finlay Murray, M.A.
29 Nov. '99

Mr.
R. Finlay
M.A.
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R. Finlay
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26,509. (Mr. Smith.) Do you get these amounts direct from the Treasury?—Yes.

26,510. Have you challenged these amounts at all?—No, we have not.

26,511. Have you complained to the Treasury that you do not get sufficient?—No. You see our interest in it is so very small that we never took much trouble about it. If we had large Government property (like in Dublin, where they are very much interested in this question) we would do so.

26,512. But still you thought it sufficiently important to bring before this Commission?—It is the principle which is important.

26,513. (Mr. Arthur O'Connor.) Now, as to your paragraph 17; you explain to us there that there has been expended in Blackrock a great deal of money belonging to the local public in the improvement of the sanitation of the place, and though the population has not increased, the value of Blackrock has gone up a good deal. In this paragraph 17 you point out that notwithstanding the enhancement of the value of the land, the ground landlords, whose property has increased, do not make that contribution which you think is equitable?—If the ground landlords could be compelled to renew their leases on what I call equitable terms, the valuation of the property in the district would go up considerably, and these houses would be lightened; but where you have some fresh houses imposed nearly every season of Parliament, fresh burdens and no increased valuation to spread them over, it becomes a matter of great grievance.

26,514. Do you mean that the local improvements which enhance the value of the landlords' property are made at the cost of the occupiers?—Yes, of the leaseholders.

26,515. Who then themselves have to pay higher rents in respect of these very improvements?—No. The point I make is this: that if it was possible to compel the ground landlords to renew their leases on such terms as that building operations would be encouraged, that would relieve the burden of taxation to a great extent, that is, as we get increased public houses we would have a larger valuation to levy them over. When a tenant's lease is nearly expiring, he will not make any improvements; he will not build, or he will not improve his property in any way.

26,516. Your next point is about the owner's or immediate lessor's liability to rates on premises valued at 10*l.* or under; what do you suggest with regard to that?—I think that this is a serious difficulty. Formerly, if premises were valued under 10*l.* in some municipalities, or under 5*l.* in others, the owner or immediate lessor was liable for the rates. Now, if valued over 5*l.*, the occupier is liable only for the rates; but when you endeavour to recover these rates, you find it impossible to do it, because you must have property to the value of 5*l.* on the premises.

26,517. I suppose the poorest areas would be most heavily hit in that event?—They would. You see, we doubt, aware that according to the old state of the law 10*l.* was the amount paid for making the owner and

immediate lessor liable; but this has been repealed by the Local Government (Ireland) Act. The action of the Town Improvement Clauses Act, 1847, provided that: "The owners of all rateable property, of which the full rateable value does not exceed the prescribed sum or (where no sum is prescribed) a sum of 10*l.*, or which are let to weekly or monthly tenants, or in separate apartments, shall be made to and pay the rates by this or the special Act directed to be made, instead of the occupiers thereof."

26,518. What section is that?—Section 181 of the Town Improvement Clauses Act, 1847.

26,519. That is not repealed, is it?—Yes, in effect by section 53 of the Local Government (Ireland) Act, 1898.

26,520. (Mr. Smith.) Would you like the limit of the houses from which you would get the rate from the owner to go as high as 10*l.*?—Yes, I think that would be safe.

26,521. According to the instance you have given me, that would be a 20*l.* house in Blackrock?—Yes. That limit may possibly be too high, but I think it is an unfortunate thing that the enactment which gave the councils power to levy rates on the owner or immediate lessor of property valued under 4*l.* has been repealed. It is repealed in regard to the poor rate, by section 53, and as regards township rates by section 55 of the Local Government Act.

26,522. (Mr. Arthur O'Connor.) Then, with regard to the occupiers not being allowed to contract out of their liability to pay rates, have you anything to say on that point?—It would be a difficult thing, I decy, to legislate for, but if it could be done it would have a desirable effect, because the electors are not at present affected very much by the increase of the rates.

26,523. Would it not come to the same in the end? Is it only a matter of the amount of the rent, more or less?—Not altogether, because people who pay taxes directly are more able to pay increased taxes, and as electors would be more likely to exercise a wholesome check on spending authorities. In Blackrock, houses are almost universally let free of taxes and for a term of three years—hence the occupier (i.e., the elector) is not much affected by increased rates—and if at the end of the term the landlord endeavours to increase the rent in consequence of increased rates, the tenant can move to some other locality.

26,524. With regard to the collection of rates and the payment of collectors, which is your next point, that is rather a question for administration than for this Commission, and we cannot go into that. You say that you would give to the county council power to discount for prompt payment of rates?—I think in some cases it might be useful. There would be no harm if they had the power. They need not exercise it unless they thought it desirable.

26,525. You suggest that there should be a modification in the law with regard to rating?—Yes. The law is very complicated at present, and varies considerably, so I have endeavoured to point out, all over the country, as I would be, I think, a very great benefit if it could be simplified and made perfectly uniform.

The witness withdrew.

Mr. EDWARD PIERCE O'CONNOR called and examined.

Mr. E. P.
O'Conn.
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Witness
on the
Bath-
ing
Taxes.
Agricultural
grants
Effect of.

Mr. E. P.
O'Conn.
—

26,526. (Mr. Arthur O'Connor.) I believe you are Chairman of the Wicklow County Council?—I am.

26,527. And also Chairman of the Board of Guardians of the Ballynaglass Union in County Wicklow?—Yes.

26,528. You tell us that your local rates—that is to say, I suppose in the Ballynaglass Union?—Yes.

26,529. Were, 18 months ago, county rates, 1*s.* 3*d.* in the 5*l.* and poor rates, 1*s.* 6*d.* in the 5*l.*, or a total of 3*s.* 9*d.*?—Yes, that is so.

26,530. You tell us also that your present rate for the current half-year is at the rate of 2*s.* 10*d.* for the whole year on land, and on houses at the rate of 4*s.* 6*d.* for the whole year?—That is so.

26,531. That is to say, whereas before you were concerned with county rates on one thing and poor rates on another thing, now you are concerned with rates payable exclusively by the occupier amounting altogether to 7*s.* 4*d.* in the 5*l.*; is that so?—Not so much. It is 2*s.* 10*d.* in the 5*l.* on land and 4*s.* 6*d.* on houses, of

course the rate in the 5*l.* would be no wrong, and the houses produce a very much smaller rating than the land.

26,532. What is your rating now, as represented by the county rates and the poor rate?—It is 2*s.* 10*d.* in the 5*l.* in the year on land, and 4*s.* 6*d.* in the 5*l.* in the year on houses.

26,533. Are your rates, viewed from the point of view of the ratepayer, higher or lower?—They are slightly lower in cash.

26,534. Are they in any sense higher?—They are.

26,535. In what cases are they higher?—Where the poor rate was exceptionally low heretofore, the rates are much higher now, even taking into consideration the agricultural grant, than they have been.

26,536. I am afraid I do not quite appreciate the significance of what you have said in paragraphs 1, 2, and 3 of the memorandum, which you have put before me; therefore would you kindly, in your own way, tell us exactly what it is you wish to convey to us under

Mr. E. P. O'Kelly.
 22 Nov. '93

those three paragraphs?—I wish to convey that the agricultural grant is not what it purported to be; that is, it is not giving the occupiers an equivalent for half the county cess that they were supposed to get.

26,537. Show us how that is?—As the figures given in the metropolitan show, in the standard year the county cess and the poor rate contained were 2s. 2½d. in the £, and the rate now on land, is 2s. 10d. in the £, and the difference between 2s. 10d. and the 2s. 2½d., or 4½d. in the £, represents the benefit of the agricultural grant to the union, as a whole. Some people who have been highly valued are benefited by it to a slight extent, but those who had to pay a moderate amount of poor rate are losers by the transaction.

26,538. In the Balinglass Union you paid a total of 2s. 2½d.?—Yes.

26,539. How much do you pay now?—We pay 2s. 10d. on land and 4s. 6d. on houses.

26,540. Can you give us a comprehensive total corresponding to the 2s. 2½d.?—I don't pay the houses, taking one with the other, would be about one-eighth or one-fifteenth of the land; their total valuation would not be more than that.

26,541. Could you give us also whether the present charge is more or less than 2s. 2½d. in the £ all round?—It is less all round, I think.

26,542. Then the burden of local rates is, in the Balinglass Union, not, at any rate, more heavy than it was before?—No, not generally. What I wished to convey was that the standard rate being 1s. 6d. in the £ for the poor rate and is 8½d. in the £ for the county cess, or 2s. 2½d., it was expected from the agricultural grant that the total would be reduced from the half of the 1s. 8½d., being the half of the county cess, whereas it is not the case.

26,543. You anticipated a relief of half of the 1s. 8½d.?—Yes.

26,544. That is to say, 10d.?—Yes.

26,545. As a matter of fact the relief you recognise is only 4½d.?—Practically.

26,546. To what do you put down the fact that the anticipated and the realised relief differ to the extent of 5½d.?—I put it down in the present instance, in a great measure, to the expense of bringing the Act into operation, and to the cumbersome machinery that was necessary to work out the rate, and to get the very voluminous books into shape.

26,547. Am I right in saying that the cost involved in the new arrangement under the Local Government Act has been so heavy as to take away in great part the relief which was contemplated in the newspapers?—That is so. In the unions heretofore one clerk was sufficient, but he has had to be supplemented by one permanent clerk and by two temporary clerks; in the grand jury formerly the secretary of the grand jury, who paid one assistant himself, was sufficient to do the work, whereas he has got now three permanent clerks, and he had 20 temporary clerks from about May until September.

26,548. The initial expenses, then, in the way of clerical salaries were so heavy as, in the first year at any rate, to take away a large proportion of the benefit?—That is so.

26,549. Will that be continued in subsequent years?—Not to the same extent, I expect.

26,550. It is a transitory mischief?—Yes, it is but temporary, but, of course, other things are cropping up now that will create further expense. As I mention in paragraph 5, the Local Government Board have introduced a lot of reforms; for example, they have ordered the guardians to give each medical officer four weeks' leave of absence in the year, during which his substitute is paid, hitherto that has not been so, and in the small union of Balinglass it comes to about 2½s. a year.

26,551. Now tell me, with regard to that, did your medical officer in Balinglass have no holiday in years gone by?—As far as Balinglass is concerned he did.

26,552. We are speaking of Balinglass?—In the town of Balinglass, yes; in the union of Balinglass they had a holiday, but if they had a holiday, they either got a neighbouring doctor to do their duty

free, or they paid a substitute; as a rule a neighbouring doctor did it freely.

26,553. That is to say, in years gone by there was no charge upon the rates in respect of the medical officer's holiday?—That is so.

26,554. And now there is?—Now there is a charge of 80s.

26,555. That is an entirely new charge?—Yes.

26,556. The next I see is increased salaries of trained nurses and wardens?—Yes. Of course, the Local Government Board were very right in ordering that trained nurses and a better class of wardens should be got, but unfortunately all this comes on at the time when people were expecting to get some benefit. If half of that had been relieved by the landlord, it would have been different.

26,557. Thirdly, you cite the cost of modern appliances?—Yes.

26,558. What would that mean?—That means what they were perfectly right in doing now, but they should have done it before, too. They are getting a better class of furniture and better beds; they are doing away with the old wooden beds and straw pallets and things of that description, and getting iron mattresses, wire mattresses, and so on, especially in the infirmary.

26,559. Which possibly in the end are no more expensive than the others?—The outlay in procuring them is very much more expensive.

26,560. In the end, in the long run, they are not all dearer, are they?—I think they will be much more expensive.

26,561. They will?—Yes, but of course they cost much more money.

26,562. Then there is the cost of an improved dietary?—Yes. I cannot say the Local Government Board are wrong; they have improved the dietary of the paupers.

26,563. Is that by any recent order?—Yes, it is by a recent order.

26,564. What is the date of it?—I do not know the date of the order, but I know it came before the Guardians of the Balinglass Union only on last Saturday.

26,565. I suppose you will admit there was very good ground for that?—Yes, I admit there was very good ground for all these things.

26,566. The dietary which obtained in some of the Irish workhouses was almost incredible?—Yes, it was very inferior.

26,567. From the point of view of common humanity?—Yes.

26,568. All these four matters, which we have just enumerated, are charges over which the Local Authorities have no control?—That is so.

26,569. They are proper charges, are they not?—Yes.

26,570. But they have to a great extent caused a disappearance of that prospective advantage which at first the Local Government Act appeared to promise you?—Led us to believe that we would benefit by.

26,571. Then you tell us that the increased cost of making the rate is very great; why should it be so great?—The requirements are that for various charges they have to be apportioned, and in some cases on the demand note these are brought out so such a nice figure that they come to a tenth of a penny in the £. I think it would be to the advantage of all that no rate should be struck at a smaller fraction than a half-penny.

26,572. These were costs which were thrown upon you by the administration of the functions under the new Act?—Yes.

26,573. Have you anything particular in my view with regard to the sanitary charge and the malicious injury charge?—No, except that it looks rather strange on the valuation of 2d. to strike a tenth of a ½d. There is no coin made to represent that yet. I think it would be well if no rate should be struck under a ½d. in the £.

26,574. The smallest coin of the realm is a farthing?—Yes, but they are obsolete now; you very seldom see

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 22 Nov. '93

Local Government (Ireland) Act, 1892. Expenses connected with the administration heavy.

Notes in the Balinglass Union. Increased expenditure on certain persons, such as medical officers, nurses, clerks, farm-labour, &c.

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O'Kelly.
28 Nov. '99

one. I have an idea that the Local Government Board by their requirements have made this a very cumbersome and very expensive Act, and that it could have been worked much more cheaply. I think if the various Secretaries of Grand Juries, and the various Secretaries of County and District Councils came together, they could devise a means that would be a very great saving in the expenditure.

25,575. I am afraid it is a little beyond our province, but if you have any special illustration by which you could show how a little alteration in the form of accounts might effect a very substantial economy, we might hear you upon that?—Paragraph 7 shows that, in one instance alone a rate ledger was prescribed which was a very unnecessary and very cumbersome book; the secretary represented to the Local Government Board that it might be dispensed with, and they said that if the Chairman of the Council authorized him he might dispense with it. I took it on myself to dispense with it, and it saved the county £200 a year in this one item alone.

25,576. But that same elasticity of administration which enabled you to secure 1500 economy in Wicklow County admits of similar economy in every county in the country, does it not?—So it does.

Labourers
to get
out of
paying
no use
any.

25,577. Then, with regard to the Labourers' Act, you say that the costs of acquiring plots and the preliminary expenses are unduly heavy; what else have you to urge upon that?—I think it would be well to simplify the acquisition of plots for labourers' cottages, and I think it would be well if the Local Government Board were empowered, or if a short Act were introduced, so that the acquiescence of the occupier and the person to whom he pays rent should give a permanent title for the acquisition of these plots. There is one plot that I recall to mind in your union, the acquisition of which cost the union 400. There was some question about the right of the person in occupation, and there was a sum of 60 odd lodged in the Court of Chancery, where it will remain till Doomsday, and 400 odd was paid to the lawyers for making the title in this case; where, as in the case of railways, if the title were simplified it could be acquired for a very small amount.

25,578. Have you not in Ireland a registration of deeds?—Yes, we have.

25,579. Would not that registration enable you to see how the titles go?—It would; but it is necessary to have a very long search sometimes. At least, most of the properties in Ireland have various charges upon them.

25,580. But every charge has to be registered to be effective?—I daresay they are registered, but it is a very difficult task to get these plots sometimes.

25,581. At any rate, I understand that in respect of title you have expenditure in regard to the Labourers' Act which is unduly heavy, having regard to the value of the particular cottages or cottages to be erected?—Yes. For example, the two acre of the little plot is generally got for about 100, and then the tenant right is generally got from the occupier for about 40, that is 140; then it looks very strange in cases where you will have to expend 400 in order to acquire 140 worth of property.

25,582. The balance going to the lawyers?—Yes.

25,583. Do you think that is peculiar to Ireland?—I do not know that it is, but I think very few would acquire property on these terms of paying 140 for the property, and then paying 400 for getting a title to it.

25,584. However, it is not a question of local taxation, is it?—No.

25,585. Then, in the same paragraph, you say it would be expedient to exempt labourers' cottages erected by the Sanitary Authority from taxation; would not that be as broad as it is long?—It would not be as broad as it is long.

25,586. If you own the cottages, and you assess yourselves, you would pay what is due, and you would receive what you pay yourselves?—Yes. But I do not see the use of taking money out of one pocket to put it into another. You pay the collector for collecting this tax, and it is no benefit to you.

25,587. You wish to save the poundage?—Not only that, but I wish to save the trouble of collecting. The labourers will not pay this, and it is almost impossible to make them pay it.

25,588. Do not the labourers in County Wicklow and in the Bellinghams Union pay?—They have never paid it until this year, and they are kicking against it this year.

25,589. How is it they have paid it this year?—They are all holdings under 40, and under the old Act for all holdings under 40 valuation, the rates were paid by the landlord; the guardians were the landlords, and they paid the rates themselves; whereas now the rate is assessed on each plot separately, and the labourer is served with a demand note and is called upon to pay.

25,590. He is called upon to pay, not only his rent, but also a rate which before he was not liable to?—Yes.

25,591. And he resents it?—Yes, he resents it.

25,592. Then you recommend in your paragraph 9 that for the matter of exemptions there should be appointed certain competent local valuers?—It is not for the purpose of exemptions, but it is for the purpose of taxation. I think it is a very equitable matter that land which is capable of being properly cultivated, and which is left out of cultivation for a number of years—I think 10 years would be a fair standard—should bear a separate tax for the reason that there is very little expenditure and very little good coming to the country out of land that is kept in permanent pasture; whereas all the small farmers who till extensively are a good deal out of pocket; they bear heavy burdens, and they contribute very much to the support of the country.

25,593. That is a very large question; do you remember the items of the agricultural statistics of Ireland?—I do not recall them.

25,594. There are about 20,000,000 odd acres in Ireland, of which one quarter is under crops, of which one half is under permanent pasture; now you are concerned in this question with one half of the entire cultivated area of Ireland; what is your proposal?—I think it is most equitable; I do not say one half.

25,595. But I say one half because that is the report of the official statistics—that I am sure about?—I would make certain exceptions to that; there is land in permanent pasture that could not be cultivated.

25,596. In grass?—There is grass land that could not be expeditiously cultivated. There is a great quantity of grass land that it would be curious to cultivate. I would exempt that. I would exempt parks that are planted with trees because they are, strictly speaking, not capable of cultivation except at a very ruinous and extravagant rate.

25,597. You are concerned with certain arable lands kept in permanent pasture; I suppose you mean land such as you have about Oldcastle in County Meath?—Yes.

25,598. Which is the richest country in Europe, or in the world?—Yes, and around Ballynaghs some of it is in permanent pasture. All the graziers have to do is to put their cattle out, and they derive the movement of profit, whereas the unfortunate tillage tenant farmer is labouring from morning to night and is paying the same taxation. I think for a beginning if a tax of 1s. an acre was put on these permanent pastures, it would be a most equitable tax.

25,599. I want to understand exactly what your point is; you have in Wicklow, you have in County Meath, you have in the Golden Valley of Tipperary, and in County Limerick certain very valuable pasture lands?—Precisely.

25,600. They are in permanent pasture?—Yes.

25,601. Some of them go up to 50 a year rent for cows grazing for 12 months?—Yes, they do.

25,602. Do you propose to put certain special rates of local taxation on them?—I do.

25,603. Let us know what it is?—I would propose for a beginning, at least, that 1s. per acre should be imposed on each acre of land that is really arable and capable of cultivation, but is left out of cultivation in Ireland for a space of ten years.

25,604. If arable, it must be devoted to a kind of crop; is there any form of crop which would bring in, in the Golden Valley of Tipperary for instance, a higher average profit than is now obtained by the grazing system?—I doubt if there be.

25,605. Then we must assume that under the grazing system the land is turned to the best account?—Yes, the

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Labourers
Act.
Since the
passing of
the Local
Government
(Ireland)
Act, 1898,
the labourers
are asked
to pay
rates for
their cot-
tages, and
they object.

Permanent
pasture.
Suggested
that per-
manent
pasture
should be
subjected
to a special
rate.

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best advantage for the occupier and to the worst advantage for the country.

25,608. Then why not value it as it is?—I believe we have not to do with Griffith's Valuation here, because the defects of it are known very well to all the gentlemen on the Commission. The better the land is the lower it is valued in proportion to its good properties.

25,607. Perhaps when we get as far as Limerick or Tipperary, or Meath, we are getting away from Wicklow, so in order that you may be able to do full justice to your own case, let us confine ourselves for a moment to Wicklow, will you give us any instance of property which is very good so fertile land, but which is now in permanent pasture within the county of Wicklow which might not, under the present law or present use, be assessed and valued just as well as if it was really ploughed?—I deny any person who leaves land in permanent pasture will only do so because it is a benefit to himself.

25,608. Is not any particular owner of land justified in so using the land as to get the greatest possible benefit out of it?—Yes, certainly.

25,609. And is not he serving the community as well as himself by so doing?—I do not think so. We will take a farm of 300 or 400 acres of land; the persons who occupy that land, if they let it for grazing purposes are benefiting themselves, but they are not benefiting the community because they will only have possibly one steved and a dog to herd the whole of that, whereas if the place were cultivated there would be a vast expenditure of money on it which would benefit the community. They are putting the profits entirely into their own pockets.

25,610. Do not think I am differing from you, I only want to appreciate perfectly what it is you want to convey. Given a piece of land which might be ploughed and might be occupied with small culture, in public culture as they say in France, but which is now in grazing, if by the grazing the occupier or the owner is making more out of the land than could be got out of the land in any other mode of treatment, how is he injuring the community?—I do not altogether go so far—and it is not for the sake of my argument that I say that—; I do not go so far as to say that if he did use the land as an agricultural holding that he cannot get more out of it. He would have more labour, certainly; he would not get it so easily; he would not work about with his hands in his pockets from week to week and he would have to work, but at the same time he would confer a much greater benefit on the community if that piece were tilled and if people were occupied on it, and I think a small tax put on—I think this really comes within the scope of local taxation—for the extra case that he enjoys would be more equitable and just.

25,611. Of course, waste in the pockets is an indifference action politically as well as socially; but the point is, what can be made of the land from the public point of view if a profit is raised to the owner of the land of 10 or 15 or 20 acres by letting it in grazing to men who turn cattle on it for 12 months, and if those men with their cattle in their turn make a profit; unless you can show that by some other form of dealing with the land more could be made in the way of profit to mankind at large, why do you object to the present treatment?—For the sake of my own argument I do not want to twist or turn in order to serve it; but my impression is and it has been for a long time, that there is a tangible value on the difference between grazing land and tilling it; I think there is something tangible and tangible in that, and for the benefit of the community and all that, I think it should be done.

25,612. Do you mean that if land now in permanent pasture were in small holdings a larger number of human beings could get their living out of it than now do, and it would be for the benefit of the community?—I do not mean to convey that. Of course, more would be nourished out of it than there are at present. I think I have mentioned in my memorandum that, supposing 10 per cent. of the holding was in tillage, then you could exempt the holding from the tax; but I think that holdings used solely as grass fields, although they use of very little use to the community, should bear a proportion of taxation in conformity with that.

25,613. I do not want to do any injustice to you; I do not know that I do not agree with you, you must not assume that I am at all opposed to your view, but

I want to get a clear exposition of it. I am the owner of a thousand acres of land which may be treated for permanent pasture or may be broken up by small culture; if I choose to treat it as permanent pasture, why should I be charged for local taxation at any higher rate than if I did not?—Because you are not contributing the same towards the community as you would be if you tilled a due proportion of that; you are not contributing directly.

25,614. How do you make that out?—Because if you have a thousand acres of land, and if you till, as I say, 10 per cent., which will be 100 acres, you will certainly require to have a staff of individuals who will be employed in the culture of that land and you will so contribute to the good of the community.

25,615. That is to say, I should distribute among 100 individuals, other than myself, the money which I receive from the output of that farm?—Yes, I deny it will come to that.

25,616. Now, if the same amount of money comes to me the other way, and I spend it, does it not run through channels equally numerous, though they may be different?—It may not be expended in the country that the money is made out of, and it may not be expended so advantageously as in the other case.

25,617. (Mr. Cripps.) Just look at your memorandum; in your first paragraph you tell us the county rates in the standard year was 1s. 8d., but you do not give the same statistics in the second paragraph of your county rates now?—We have no county rates now; we have a consolidated rate that embraces county rates and poor rates together.

25,618. Then take the question of the land, what is the consolidated rate on land now?—It is 2s. 10d. in the £.

25,619. And what was it before?—It was 2s. 2d.

25,620. As regards the half which you get under the Agricultural Grant, that amounts to 10s. 7d.—We were supposed to get it.

25,621. There is no doubt about it, that you do get it, there is not the slightest doubt of that?—Of course it is so.

25,622. Yes, it is got?—The money is paid under the agricultural grant, but under the working of the Act there is 55s. of that 10s. taken up. I am glad you asked me about that, because the picture is not altogether as bad as it appears.

25,623. No, I do not see that it can be?—For this simple reason—that last year we were paying away a lot of money to people who were retired widowers and some collectors; all that we were bound to pay away.

25,624. (Mr. Arthur O'Connor.) Existing officers?—Previously. I deny 5s. is the benefit we will receive in the future; it is more likely to be 6d. than 5s. I am glad you reminded me of that; I intended to speak of that myself.

25,625. (Mr. Cripps.) After the special expenses of putting the Act in force have gone by, these additional expenses you have just referred to would be necessary, quite independently of the Agricultural Grant; they would have been additional expenses in respect of what you were paying before?—Do you mean the ones I refer to in paragraph 5 of my memorandum?

25,626. Yes; they would have been equally necessary whether you had the Agricultural Grant or not?—They would, but are the differences—If these expenses had been incurred before the standard year, we would be receiving not only 10s., but we would probably be receiving at least a shilling from the agricultural grant, because those things would then be taken into consideration.

25,627. There is only one other question I have to ask you, and that is as regards what you said about grass lands, do I understand that you want more of the grass land to be cultivated?—I want more of the grass land to be cultivated, or I want the people who have the land in permanent pasture to pay a rate.

25,628. Suppose you cultivated grass land for which 5s. an acre might be taken as the reasonable value, and you reduced it by cultivation, we will say, to 2s. or 3s. an acre, how would the taxpayer benefit?—If he tills it judiciously, he will not reduce the value per acre.

25,629. Assuming that he does, assuming the case given, that if grass it has been used for the most

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23 Nov. '93

Value in the Dublin Union. The agricultural grant

Local Government (Dublin) Act, 1892. Local rates assessed with the agricultural grant.

Permanent pasture. Supposed that permanent pasture should be subjected to a special rate. Effect of the proposed decrease.

beneficial purpose in the sense that you are getting the greatest return from it, how on earth can you benefit the taxpayer by reducing the value of your rateable property?—As I said, for the sake of my own argument, I did not want to controvert that, but if that good land that is now in permanent pasture down in County Down, and these places around Ballymagillane were let—there is no land about Ballymagillane being let at more than 3s an acre—but supposing the authority said, I will let this land and I will let it out, and the occasion arises for letting the land for the purpose of having a crop of oats taken out of it; then I am quite sure that for this land which has been set down as being 5s an acre, for the first year by a crop of oats, he would get 7s an acre.

26,630. Of course you would get something like it in one year, but supposing you took a series of years, and you lowered the value of the land, how would that improve the position?—You will not lower the value of the land by proper cultivation. Of course if you cultivate improperly you will run out the best of land, but if land be properly cultivated the standard will be raised instead of lowered.

26,631. (Mr. Smith.) I only want to endeavour to put the thing very simply to you as it occurs to my mind. In the case of land which is used either for grazing purposes or which is kept in permanent pasture, what manner of food is produced for the people?—Of course if it were cultivated—

26,632. No; I am assuming it is not cultivated now; taking permanent pasture or grazing land, what are the two principal descriptions of food which you get?—As a rule you get beef.

26,633. Meat and milk?—Yes, but these grazing lands, except in the neighbourhood of towns or of creameries, you do not get milk from.

26,634. Still, from a good deal of grazing land milk is produced?—Yes.

26,635. Now, when an acre of land is cultivated, we will say, with cereals, what manner of food do you produce then?—You will get oats for the first year, probably, and you will get potatoes or mangolds or turnips for the second year.

26,636. Why should you propose to tax the man who produces meat and milk more heavily than the man who produces bread or potatoes?—It has been an idea of my own for a long time. It may be a novel idea. I do not know whether it ever was promulgated before, but it has been a hobby of mine for a number of years. I think that when a man has land in grass a small tax on it is a very equitable tax, and I think it is a fair basis for local taxation too.

26,637. I quite appreciate what your proposal is, but what I want to get from you is the reason why you should select the production of meat and milk for the imposition of a higher tax than you would impose on the production of bread and potatoes?—Because the production of meat does not benefit the community to the same extent that the production of bread and potatoes does, or to the extent that labour given to the working community in the latter respect will benefit the country.

26,638. Does it not occur to you that it is a much higher form of production?—Meat?

26,639. Yes?—I do not know. That it is not as valuable for the community in my idea.

26,640. Anyhow, you would, by arranging your system of local taxation, endeavour to foster the production of one class of food, and to that extent handicap the production of other classes of food?—No, I would try by this taxation to keep the population on the land, and to have a large population on the land instead of having that large population made smaller.

26,641. Does it differ materially from the very common and simple proposal to give a bounty for corn growing?—It is not a bounty for corn growing that I am on. What I am on is the good of the community at large.

26,642. But is it not the encouragement by means of a bounty of the growers of corn?—Well, I dare say. I doubt very much if the tax that I mentioned were imposed, whether any one would ever dream of breaking up the land in order to create the tax of 1s an acre. I do not think they would.

26,643. Then is an acre would not have the effect that you wish to bring about?—It would have this effect, that it would contribute towards the revenue of the country.

26,644. (Mr. Watson.) Just one question upon paragraph 6 of your memorandum. You say the increased cost of making the rate is enormous; do you mean the increased cost under the new system and under the new Local Government Act as against the old one?—Yes.

26,645. Is that not an increased cost which is just due to the changed machinery, and will only last possibly for this or next year?—It is not, because they have introduced a lot of most cumbersome and unnecessary forms. I do not know why the Local Government Board prescribed them, but every officer that I have spoken to, and I have spoken to a great many of them, has said that a lot of those are quite unnecessary, and that they will be a source of great expense to the country. For example, I mentioned an instance a while ago, that is the unions formerly one clerk was sufficient, and in the grand juries one secretary was sufficient, but it now transpires that you will have two permanent officers, the secretary and a permanent clerk in the district council, and that you will have a secretary and three permanent clerks and a bundle of temporary clerks in future in the grand jury.

26,646. That is a question of machinery which, possibly through the agency of the Local Government Board, may be set right?—No, permanent bodies move slowly, we cannot get them to move quickly.

26,647. As regards the rating itself, the machinery of it ought to be simpler than before?—Yes, there ought not to be much difference at all in the sticking of the rate because, being given certain data, you ought to be able to strike it. I have argued with our secretary about that, and then he says that in consequence of all these small changes that have been calculated to four figures of decimals, it is very difficult and very complicated.

26,648. Then, as I before said, if you had a simplification of machinery, it need not be any more costly than it was before?—I do not think it should be.

26,649. (Mr. Smith.) In paragraph 9 of your memorandum you seem to base the question of taxation mainly on the question of the number of people that were employed; will not that carry you very far? Supposing some of this land were used as a manufactory, are you prepared to exempt it from taxation on that account?—I would not, because I do not know how you could use the land exactly as a manufactory.

26,650. You could use portions of the land for it. You have your argument almost entirely upon the number of people that it would employ, and you say pasture land employs very few?—On the number of people that it would give employment to and on account of the facilities which it gives to the occupier.

26,651. (Mr. Arthur O'Connor.) I suppose that your general position is this, that the country is made for the people and not the people for the country?—I think that is so, the land was made before ourselves.

26,652. And if a large portion of the country is occupied by an individual as hoarding up a large fortune to himself by means of grazing where the expenses of the business are slight and the profits are considerable from the rich nature of the soil, the community is not benefited but the individual is?—Yes, the community is not benefited in proportion.

26,653. Supposing that the same acreage of land that you now refer to as being under permanent pasture was broken up so as to be in the hands of a number of small occupiers who devoted themselves to the production of oats, barley, wheat, and other things, and the competition from abroad undersold them so that they made no great profit, what would be the position then?—I did not contemplate that.

26,654. No; but I am contemplating it for you, if you will allow me. What would be the position then?—Of course, they would be in a bad way.

26,655. The position of the country and of its inhabitants would be no better than it is now?—They would be no better off.

26,656. Is there anything else you wish to add?—As I said before, if a proportion of this land were used as an adjunct to the grazing; if 10 per cent. of it, say,

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23 Nov. '90

Local Government Act.
Expenses connected with the administration heavy.

Permanent pasture suggested that permanent pasture should be subjected to a special rate.

Mr. E. P. O'Kelly. — were used as an adjunct to the grazing, it would be so much better for the country, and they would rear young stock and they could feed young stock in the way our fathers before us got on; they could turn them just in the legitimate manner.

26,657. I suppose, ultimately, it comes to this, that you draw a distinction between farming for profit and farming for livelihood; where a man may make a large

fortune for himself and spend it, a number of men without making a fortune may, at any rate, increase and multiply in comfort though not in plenty or in fortune, is that it?—Well, I daresay it will come to that; we would leave the community.

26,658. Do you think that where men multiply it is better than where cattle multiply, is that it?—That is my opinion.

The witness withdrew.

Mr. NICHOLAS JAMES SYMOND called and examined.

Mr. N. J. Symond. — 26,659. (Mr. Arthur O'Connor.) I believe you are a barrister?—Yes.

26,660. Chairman of the Board of Guardians of the Nass Union, County Kildare?—Yes.

26,661. And also a Director of the Waterford, Limerick, and Western Railway Company?—Yes.

Valuation. A schedule of prices cannot afford a satisfactory basis of value for a general valuation. — 26,662. I have before me the memorandums* of the principal points of the evidence which you are good enough to put before me. In paragraph 4 I notice that you divide agricultural land into two classes, first, the land of which the owner is the occupier; and, secondly, the land of which the owner is not the occupier; and this latter class is sub-divided again into classes, (1) in which fair rents have been fixed, and (2) in which fair rents have not been fixed?—Yes, that is so.

26,663. Now you say that different principles of valuation would have to be applied to these three classes of land unless the valuation is to be based on subordinated prices as in theory Griffith's Valuation was?—I am assuming, in view of the criticisms which in every quarter have been directed against a valuation based on a schedule of prices, that that will not be the principle on which any general revaluation can be carried out.

26,664. Then you agree that no schedule of prices can afford a satisfactory standard of value?—Not for a general valuation, because it considers only one element amongst the many elements that ought to be considered; it does not consider, of course, the question on the other side of the account, of the cost of labour.

26,665. You agree—I may put it shortly—that a schedule of prices at a basis of valuation is all rubbish?—I do; and I think that, subject to what those that come after me may say, Griffith and his valuers, in working it out, had, in practice, largely to avoid that, and to take the rent of the hypothetical tenant.

26,666. And of the actual tenant in the neighbourhood which they valued?—Yes.

Valuation of land in Ireland. Principles of valuation discussed. Question of rents fixed by the Land Commission. Supposed that actual rent paid by occupier must be taken into consideration in valuing land. — 26,667. Now, with regard to your paragraphs 6 and 7, would you narrow me this question, yes or no, can land be valued irrespective of tenure?—I am afraid I do not easily understand what you mean.

26,668. Supposing that you, as valuer of land, are sent into a neighbourhood, can you not value a parcel of land without inquiring as to whether the value of that land is distributed between landlord and tenant or is in the hands of the owner?—I think the theory of actual value is that in order to find out what the actual value is, you have to find out what a person is willing to give for it.

26,669. Is it necessary for that purpose to inquire into the special relations of the particular landlord and the particular tenant?—I do not think you can find out satisfactorily what a person can give, or ought fairly to give, for a parcel of land per annum, unless there is something like a market.

26,670. Supposing there are two parcels of land of 10 acres each, in most respects more or less similar, and that one is in the occupation of the owner and one is let by the owner to a tenant, would you not value those two parcels of land at the same figure?—I would, other things being equal.

26,671. I am assuming that other things are equal; there are two parcels of 10 acres each, and in regard to building and improvements and everything else much on a footing, but one happens to be in the hands of the owner and the other happens to be in the hands of a tenant, would you not regard them in spite of that different relationship of ownership to occupancy at the same figure?—But there you have an hypothesis a competitive rent to guide you, whereas you have not in Ireland competitive rents.

26,672. Would you have those two parcels valued at the same figure, or would you value them at different figures, and if so, why?—I should value them at the same figure if the other circumstances were the same.

26,673. Irrespective of the fact that one is in the hands of the owner and the other is not in the hands of the owner?—Certainly; provided the rent which the occupier paid was the full rent, and represented the full rent for the whole state of the holding as it existed.

26,674. Irrespective of the amount which the occupier paid, which might, of course, by reason of a fine be very low, or might by reason of there being no fine be very high?—No, of course I exclude the case of a fine. I am speaking of a rack-rent, that is of a competitive rent.

26,675. What does it matter to the valuer whether there is a fine or whether there is not a fine; has he not to concern himself with the value of the particular parcel?—I quite agree; but I say if there is a fine paid, of course you cannot take the actual rent paid.

26,676. I am not concerned with the rent. A given parcel of land is offered to a valuer for valuation; can he not value that land without inquiring as to the amount of rent which the tenant pays for the holding?—All I can say is that I think it has been generally agreed by valuers that where there is not some guide in the way of a competitive rent, it is impossible, or nearly impossible, to get at actual value.

26,677. Would not the rents of adjoining land and holdings furnish a standard?—If they are competitive rents.

26,678. In any part of Ireland could you not, from information generally obtainable as regards the rent, the existing valuations, the neighbourhood of a market, towns, and so on, get materials for valuing any particular parcel without inquiring as to that particular parcel whether it was in the hands of the owner or in the hands of a tenant?—I want to see the principle on which you are to go first established. Up to that, the whole idea of actual value has been a fair competitive actual value. I point out that, owing to the present state of circumstances in Ireland, and the different kinds of tenure there are, the fact is that the rent paid, from the very nature of things, and under the Statute, is not a competitive rent, and not a rent on the occupier's interest, which, of course, should bear the burden of local taxation. Under this state of circumstances, I do not see where the principle is to come from as yet; I have never seen one announced.

26,679. What is the average size of the holdings in the Nass Union; would it be 10 or 20 acres?—Not quite that, I think; it varies very much.

26,680. Twenty-five or thirty?—Perhaps.

26,681. Twenty-five?—I daresay, but I have not got into it.

26,682. Would there be any difficulty in a man connected with the circumstances of County Kildare, and of the Nass Union, saying, with regard to a particular holding of 20 acres, the valuation of that holding ought to be so-and-so?—I confess I see a great difficulty, at least, a difficulty in establishing a system that would be uniform.

26,683. I am asking you with regard to a particular farm at this moment vacant in your valuation?—If you will allow me, I am speaking of a general valuation.

26,684. Excuse me, I must ask you to follow my questions; it is my mind that has to be informed?—Certainly.

26,685. In the Nass Union is the farm which has to be valued; it is in area of some 20 or 25 acres; a valuer is not informed whether it is in the hands of the owner or in the hands of a tenant; he is simply asked

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to value that holding or that parcel for ordinary valuation purposes; now is there any difficulty in doing it?—I confess I should not know how to do it, and I have never yet heard anybody explain to me how he would do it, unless he would have regard to the rent actually paid, and, as Mr. Barton has suggested in his evidence—

25,688. Never mind Mr. Barton?—Pardon me, I am adopting to a great extent what he says about the prices paid for tenant right. My point is that the land—

25,687. He hypothetized, you do not know whether there is any price paid for tenant right, you do not know whether there is an occupier, and you do not know whether it is in the hands of an owner. I put to you a very simple case as to whether there is any difficulty in valuing that particular parcel for rent?—You mean, I presume, the full rent for valuation; that is, the full value of the land, including both occupier's and landlord's interests, if I may make my meaning clear.

25,688. No, I did not say that; you know the standard of valuation in Ireland is with regard to land according to a schedule of prices, and with regard to buildings, according to what the buildings would let for; now you have an agricultural holding in your own name in County Kildare, as to which you are not informed as to whether it is in the hands of the owner or whether it is in the hands of an occupier, or whether it is let under a fine at a low rent, or at a rack rent without a fine; you are simply called upon to value it. Is there any difficulty in valuing such a parcel of, say, 25 acres?—What I have to say here is merely for the purpose of pointing out the difference in the state of circumstances now, and when Griffith made his valuation.

25,689. I am dealing with the present circumstances; is there any difficulty in a valuator this afternoon saying what he thinks is a fair value for a certain parcel in the County Kildare?—He can say what he thinks, but I say that he has no element to guide him, because there is no competitive rent; the rent is fixed by a body of Commissioners who do not, from the very nature of the case, fix any rent on the tenant's improvements, and on the tenant right, and of course, in any system of local taxation, you must tax the whole interest of the property as it stands.

25,690. Then I understand that since the establishment of these Land Commissioners, valuation is no longer practicable as it was before?—Valuation cannot be carried on in the same way as it was practically under Griffith's Valuation, where the competitive rent—

25,691. That is not the question?—Then I say valuation cannot be carried out in the same way as a farm in England would be valued.

25,692. Now let us take that case. I suppose you will admit that there will be no very great difficulty in the County of Derby in saying, with regard to a particular farm, no matter whether it was let or whether it was not, what would be the valuation of it?—No; there you have competitive rents.

25,693. Without being informed whether it was in the hands of the owner or whether it was let at a low rent with a fine or at a rack rent without a fine, in Derbyshire there would be no practical difficulty?—Because there is there a free market.

25,694. From whatever cause, there is no difficulty, but in County Kildare there would be, because the Land Commissioners have done what?—The fair rent is fixed upon the theory and practice that no rent is based upon the improvements effected by the tenant.

25,695. The Land Commissioners are concerned with the relation between landlord and tenant?—Certainly.

25,696. But is that what is valued?—No, that is my point; I say you cannot take that of itself as a basis of valuation.

25,697. But who said you should?—Because, I say, in England, in valuing land, as I read the evidence here, although not decisive in the matter, it is unquestionably considered—

25,698. Not who suggested that you should?—I am not aware that there is any other basis to go upon except what people—

25,699. Who is suggesting that the fair rent fixed by the Land Commissioners should be the standard of valuation? Are you aware of anybody who ever

suggested that the fair rent fixed by the Land Commissioners between landlord and tenant should be the standard of valuation?—I am not aware that anybody has suggested any system of valuation.

25,700. Then we need not trouble upon that point?—Except that I wish to point out that if you have Government valuers putting a different value upon land from the value put upon it by the Land Commissioners, who see also public bodies, there will be endless trouble.

25,701. Do you not see that they are valuing two totally different things—the value of the farm according to the Statute of Elizabeth is the value put upon the thing, a complete entity?—I quite agree.

25,702. Assuming that the landlord owns the thing and that the tenant pays rates and taxes; but the fair rent fixed by the Land Commissioners in Ireland is a totally different thing?—I quite agree.

25,703. Dependent altogether upon the personal relations of the two parties to the subject matter, namely, land?—I quite agree.

25,704. Then let us not mix the two up, in dealing with the farm in Ireland as a farm is dealt with in England as an entity, irrespective of its distribution as between landlord and tenant, and is there any difficulty, or ought there to be any difficulty, why a farm in Kildare should not be valued just as easily as a farm in the County of Derby?—The fair rent, although it does not represent the whole value, does represent part of the value of the land.

25,705. But you have already told me that the fair rent is a measure of something totally different to that which is measured for valuation purposes?—The full value for a valuation purpose is made up of two portions—one is the rent, which I assume to be fair, payable to the landlord, and the other is the annual interest of the occupier. Those two things taken together ought to constitute the full annual value.

25,706. What ought?—Those two elements considered together.

25,707. But why do you want to bank up the farm as an entity into elements if you have a farm as an entity before you?—Because the Act of 1881 did break it up into those two elements.

25,708. We are not concerned with the Act of 1881, we are concerned with the valuation of a farm as an entity?—It is not for me to devise a system of valuation, but I have never yet seen any method of valuing property which does not have regard to competition and actual rent paid. I do not know what value means if it is not based upon those two elements. The whole theory of valuation is what a person would give—what a thing would fetch in the market.

25,709. Precisely; now then let us stick to it. Here is a farm in County Kildare, whether it is in the hands of the owner or not, the only question is what that, as an entity, might be expected to get from an ordinary sort of contract in the shape of rent, the tenant paying rates and other outgoings—apart from the Act of 1881, apart from the fair rent apart from the Land Commissioners, is there any difficulty in fixing that—that is my question?—I do not know what elements there are to guide the valuer in fixing it.

25,710. You say there are difficulties?—Yes, and I have given you some reasons for it.

25,711. Now, then, we have got it; what is the difficulty?—The difficulty is that there is no competition, no market in respect of that full rack rent that you mentioned; the rent is not fixed by the open market.

25,712. You have no means of suggesting how valuers should value any farm in New Union in County Kildare, or I suppose, anywhere else?—Except three—and it is the best suggestion I can make—one would be most undesirable, I think, in every way, that the rent or the value fixed by one body of officials should differ in its elements from the rent fixed by another; it would be most undesirable that you should have valuers going down there and saying the rent payable in respect of the owner's interest should be one thing and the Land Commissioners saying another; therefore, for good or for evil, somehow or other you will have to consider the fair rent fixed by the Land Commissioners.

25,713. Are you aware that in the County of Derby the landlord furnishes the farm as a going concern, even to the gate posts?—Yes.

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Mr. N. J. Synge. 25,714. Whereas in County Kildare, at any rate, in some cases, the tenant may have made some of the improvements, and the landlord possibly may not have made any?—Certainly.

25,715. So they are two totally different cases?—I quite agree.

25,716. And the fair rent fixed by the Land Commissioners represents equitably between two parties who are not on a similar footing to the landlord and tenant in England, you understand that?—Yes.

25,717. So that the fair rent in Ireland is not the same measure of value or valuation as the rent in England would be?—I have never disputed that, my point is, that there is a difference.

25,718. If there is a difference, let us keep the two things apart and not confound them?—But, if you will pardon me, there is no confusion at all, in my mind at any rate. I say you must consider that fair rent, and I give the reasons why you must consider it. It is a fair rent fixed by a body of Government officials, and that, at any rate, is a rent that does come out of the land in respect of the landlord's interest; but there is another valuable element, and that is the interest of the occupier represented by the annual value of his improvements.

25,719. Quite so?—The whole annual value will consist of those two elements. In respect of that element the best suggestion that I can make is—and I agree at the present moment that we are not ripe for it—to see what the tenant's interests fetch in the market.

25,720. Now, then, one thing is perfectly clear, that the fair rent does not of itself supply a standard?—It does not.

25,721. Yes or no?—It does not include the whole taxable value, but I think it ought to include part of the taxable value.

25,722. Then it does not of itself represent a satisfactory standard?—Up to the point that it does go, I say it does.

25,723. If it does not go to the full extent, it does not to the full extent represent a satisfactory standard?—Well, there is no other standard possible that I can conceive.

25,724. You have already suggested another; you have already suggested fair rent, plus something?—Exactly, I agree.

25,725. Then, so far as the plan extends, the fair rent is not satisfactory?—I have never said it was.

25,726. Very well, we agree it is not?—I quite agree.

25,727. The fair rent not being a satisfactory standard has to be supplemented by something else?—Yes. There are objections to having it fixed as the standard of value, because under the definition of fair rent in the Land Act there is no general principle announced, and for the purpose of valuation it might be desirable to compel the Land Commissioners to give grounds for their decision.

25,728. I think we are getting a little off local taxation; it is agreed that besides fair rent between landlord and tenant some supplement is necessary to represent the tenant's interest?—Yes.

25,729. Does that include the tenant's interest in improvements?—I think so. I qualify that—in so far as the improvements represent fairly an increased annual value.

25,730. In so far as the improvements represent something not included in the fair rent?—Yes.

25,731. Then we are agreed. Is there any difficulty in County Kildare, in the Union of Naas, in saying with regard to a particular holding, there is the land, there are the improvements, by whomsoever made, and in the total they come to so much as a fair valuation?—But I have already said in paragraph 4 of my memorandum that the fair rents have been fixed by the Land Commissioners over a certain area of the land. Over another part of the area rents are fixed by agreement between landlord and tenant in which, to a certain extent, there is a free market, and in which, to a certain extent, there is competition; in that case I do not think it is a complete competition. There is a third case in which tenants have purchased their holdings under the Land Purchase Acts, and occupiers

are also owners. Now these three cases are really quite different.

25,732. That is precisely why I put the point to you as I did. Assuming that if a piece of land has to be valued, and it is not known whether the owner is the occupier or whether the farmer has purchased the holding or whether the farmer is holding under exceptional terms at a low rent or so paying a supplement, the only question is to value the parcel; is there any difficulty?—If a man comes down there from Dublin—

25,733. Does not the value of the thing itself, as a concern, as a parcel, remain just the same whether it is in the hands of the owner or in the hands of a tenant. Whatever the terms of rental as between tenant and landlord may be, does not the thing itself remain of just the same value?—Yes; but my point is that the valuer, who may, for all I know, not come from the neighbourhood at all, he may come from Dublin, in order to get the same elements to guide him in each of these cases—

25,734. If a man comes from Kewstoke to value land in Kildare, of course we expect him to make a very good shot; but is that the way in which things are generally done? Is it impossible in the Union of Naas, in the County Kildare, to arrive at a reasonable estimate of the value of a particular parcel? Is that your evidence?—I say that I have never yet seen a principle which would give the necessary requirements of uniformity. I think, if I may be allowed to say so, that these difficulties are explained in paragraphs 9, 10, and 11 of my memorandum.

25,735. (Mr. Smith.) Do you know anything of the practical work of valuing property in England?—In England I do not. I understand from the evidence that has been given, and which I have followed with some care, that although the actual rent paid for similar land is not considered an absolute guide, it is always considered a guide.

25,736. I hope it is not a libel to say so, but I have always understood that the first thing a highly paid valuer does is to go into the public house and ask what land lets for about here?—I always understood that it was something of that sort.

25,737. (Mr. Wheeler.) I have been examining your memorandum with regard to the valuation of railways. We have had very clear evidence as to the system on which railways are valued for rating purposes in Ireland. We have heard that they are valued as a whole, and then that the various rating areas are rated according to the train mileage of the trains run in that area; that is, I take it, the railways alone and excepting the stations and buildings?—Yes.

25,738. Do you agree to that as a system?—Yes, the overall value is divided up according to the train mileage.

25,739. In the areas according to the train mileage?—Yes.

25,740. Have you any objection to this system?—I may say, generally, that I do not speak officially as a director.

25,741. Are you in favour of the continuance of the Irish system so far as the valuation of railways goes?—Provided, of course, that it is carried on now by a central independent authority.

25,742. Provided the valuation is made by a competent valuer?—I think we think that comes to about the same thing.

25,743. But I understand you, looking at this generally to think that there is an excessive rating of the railways in Ireland at the present time?—Indirectly.

25,744. Do you speak generally of all the railways, or do you speak of the railway with which you yourself are connected?—I speak generally, I am not here representing that one particular railway; I say relatively to other property.

25,745. That is what I understood?—To go back to paragraph 15, I cannot be there my views about valuation. It is perfectly clear that buildings generally are undervalued in Ireland—buildings everywhere, and especially in towns. I do not say in the country, because the buildings there are generally auxiliary to a farm. It is beyond doubt clear that in Griffith's Valuation, under the Act of 1852, a large number of houses have escaped valuation, that they are under-

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Rating
Valuation
of houses
in Ireland.

Railways
are rated
highly
compared
with other
classes of
property,
and railways
are in areas
in which the
traffic is
often
excessive.

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valued, and that there is practically no method of retaining them, even although their site value has enormously increased, unless there is structural alteration. There is this further fact that not only are old houses undervalued—

26,746. You are dealing with this relatively to what?—Relatively entirely to railways I think it is beyond dispute, but I point out that it is in the urban districts that the rates are high, and it is in those districts that the buildings are undervalued. Therefore railways pay high rates in undervalued districts and yet they themselves are fully rated. I understand that even in respect of their buildings—Mr. Barton will correct me if I am wrong—there is not that deduction made, which amounts generally in Ireland to about 25 per cent., which is made to bring down the valuation to the level of Griffith's Valuation.

26,747. I suppose there was no Griffith's Valuation with regard to railway buildings at all, so they were commenced after the time of Griffith's Valuation?—When Griffith began his valuation in 1852 there were only 660 miles of railway built, and it was not specified in the Act, I believe, exactly how they were to be valued.

26,748. The railway buildings in 1852 would probably be a very different class to what they are now?—At that time I believe the notion of a railway to a great extent was that of a public road in which the public ran their own carriages and stock, and it was not contemplated that the railways should become warehouses and carriers to the enormous extent that they are now.

26,749. Then your complaint is that stations and other railway buildings—I suppose goods warehouses and so on—are rated at a higher rate considerably than similar buildings not used for railway purposes?—I understand first of all that deduction is not made.

26,750. Is that so, first of all?—Yes, that is so.

26,751. Continue, please?—They suffer because, of course, other properties in the same taxable area are not rated to their full value, and they are not brought down to the actual taxable value of the other buildings by that deduction of the 25 per cent.

26,752. In Ireland are there frequent demands for increased rating upon railways in consequence of the works being enlarged and so forth?—I think you may say with regard to our railway, that practically as soon as we put up new shops and new buildings, attention is called to it and the valuation is increased.

26,753. Do you have much difficulty in coming to an agreement with your Rating Authority?—I do not think in that case there is any difficulty.

26,754. Do you generally agree?—With the rating authority?

26,755. Whoever the Rating Authority is, do the company find it easy to come to an agreement with the rating authority—that is, with the people who have imposed the new rate?—Up to this I think there has not been much litigation, but to judge by the way the new bodies are operating I think we may contemplate a large vista of litigation upon that point.

26,756. Up to now there has not been any litigation?—Up to now there has not been, because I do not think the grand juries and the boards of guardians in the old days did so.

26,757. What is there else that you complain of in regard to excessive rating? You say that the buildings are rated in excess of similar buildings which are not used for railway purposes; what other complaint have you to make?—Without deciding the question as to whether an existing valuation of land is or is not below the actual value, at least we know this, that taking a large area of land in the proximity of railways and in the proximity of towns where there is a terminus, there must be a very large increase in the annual value of these lands, there must have been, from the very nature of things. In that case a line of railway is going through the country, and there it is fully taxed, and the land which benefits from its proximity and its convenience, is, no more, since Griffith's Valuation has had the value increased. There is no power under the Act to fast to increase that value. That is without going into the question at all, which I think is an open question, as to whether the whole of Ireland is undervalued or not; at least, I say there is a considerable area of land which must have increased in value.

26,758. Then I take it, you make a similar complaint with regard to the valuation of land upon which railways exist to that which you do with regard to the

buildings; you say that the land upon which the railways exist is rated higher than similar land upon which railways are not in existence?—With regard to the general principle of valuing railways, I agree it is a very artificial one, but I agree in thinking that possibly it is the only means there is of getting at the rent that the hypothetical tenant would pay, having regard to the receipts, less a deduction for working expenses and interest on stock. But I go on in paragraph 21 to say that I do not see why there should be a difference between the principle of valuing railways and the principle of valuing other premises upon which industrial businesses or processes are carried on.

26,759. That you have already given us?—That is quite apart from the question of the under-valuation of buildings generally.

26,760. Quite so; there is another point you make in the general count which you submit in paragraph 50. You say that the railways are unrepresented and have no voice in making the rates?—Yes.

26,761. That, as you know, is not confined to Ireland alone?—I agree.

26,762. The same complaint may be made in England exactly that is made in Ireland, namely, that the railway companies have no voice whatever in regard to the making of the rate or dealing with the rate in any way?—No, but I point out that when the Local Government Act was passed, the rates—the poor rates at any rate—which previously had in fact fallen both on the occupier and the owner, was taken from off the owner and put upon the occupier, and one of the grounds for that was that the owner was not represented.

26,763. I do not suppose that I disagree with you at all?—I point out that there is that difference, and I confess that I do not see that if you were to base your principle upon want of representation, why it should not apply in the one case as in the other. I wish to point out further that the new bodies have very largely increased rating powers. I point out in paragraph 31 a number of matters they could now do which they could not do before. Another remarkable fact is that there are a large number of persons now who have votes—I think quite rightly, but you must see the logical result—but don't pay rates at all. The lodgers have the franchise in Ireland for the county councils and district councils, and they have not in England; we have a wider franchise in Ireland than you have in England.

26,764. Could you suggest in what way, either by election or otherwise, railway companies could be represented on Local Bodies?—I confess I do not think the remedy, if there is to be one, would take that direction. The railways would always be in a minority, and I do not think the presence of a small minority on a large body like a district council or a county council would have the slightest effect.

26,765. Have you any remedy to propose?—I do suggest some, but whether this Commission will adopt them is another matter. I say that the principle of exemption, which is admitted in the Public Health Act and in the Towns Improvement Act, logically ought to apply to many other cases. I take it that the principle of that was the principle that railways did not get the benefit from the expenditure in that direction. At the present moment all over Ireland Rural Sanitary Authorities are localising expenses under the Public Health Act, and under the Local Government Act, and I do not see myself why that same limitation and exemption should not apply in rural districts as, under the Public Health Act, exists in urban districts. I understand that in England railways are exempted to the extent of three-fourths for the General District rate; there is no such exemption in Ireland. In Dublin and in Belfast, both highly rated areas, there is full taxation for all purposes of the railways on their full valuation, except, I believe, for the exemption I give in paragraph 26 in respect of the public water rate. Of course if the railways take the water, they pay for it, but that is the only exemption.

26,766. (Mr. Arthur O'Connor.) It varies in different places, I think, according to the local Acts?—I looked through the schedule of local Acts in the memorandum prepared by the Local Government Board, and there are very few exemptions; I do not think there is any exemption for general rates.

26,767. (Mr. Wharton.) According to what I gather from you, I do not find that you suggest any remedy for that which you complain of, namely, the absence of

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Railway companies are not represented on local bodies.

Railways: Valuation of District Councils rating under the Public Health Act should be extended.

Railway companies are not

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represented
on local
bodies.

representation for the railway companies on any of those bodies; all you suggest is further exemption?—Of course that comes to the same thing; a benefit is obtained either way.

26,768. No, because surely you may have, in some districts, railways dealt with in an inequitable fashion, whereas in other districts you may have them dealt with in an equitable fashion, and if you have a general exemption all over, that general exemption may be unfair in one quarter, whereas it would be perfectly fair in another. Do you not think it would be much better, and I only put it as a suggestion to you, that the railway companies should have some representation upon those different bodies; the railway companies would appoint a competent man, and he would be able to make representations to those bodies which they, as fair men, would be likely to listen to?—I do not think in practice that would have the slightest effect.

26,769. You think not?—No.

Valuation
of land in
Ireland. A
competent
rent not
not cannot
be given
any ap-
plied.

26,770. (Mr. Norris.) I rather gather the tenor of your evidence to be that you have a difficulty in valuing Irish agricultural land because of the peculiar relations between landlord and tenant?—That is one thing; and because the conditions of things vary. There is not a uniform system all over Ireland.

26,771. And if there were a uniform system, you cannot apply the immediate test of a competitive rent?—You cannot.

Re-valuation
is not
desirable.

26,772. That does not apply at all to house property in towns?—No, quite the contrary; that is why I advocate a revaluation.

26,773. It does not apply to buildings and homestead premises?—No.

26,774. And all the various objections that you find in urban centres?—No. I may say that in homestead premises, I believe, there is no additional valuation, and nothing extra put on the valuation on account of the houses as regards local taxation.

Valuation
in towns.
Property
in towns
is generally
under-
valued.

26,775. What is your opinion with regard to Irish town property; is it over-valued or under-valued?—I should say in the large towns it certainly is under-valued; whether it is with regard to some of the smaller towns where the population is being reduced, I do not know. I think in some cases there is over-valuation and in some cases there is under-valuation.

26,776. A gross case has been given us in the City of Dublin, a notorious case of under-valuation, I may say?—Perhaps that is the worst example in Ireland. I may, not only do my remarks apply to the value of buildings, but they apply in a peculiar way to the value of agricultural land in the neighbourhood of large towns, suburban land. I believe Griffith valued that land on a schedule of prices; of course, in districts of that sort, there is an element of value which far exceeds the agricultural value.

26,777. May I take it that really in many parts of Dublin the actual rent paid bears very little relation to the valuation?—None whatever, apparently, if one runs through the rate book, because if there has been a structural alteration, you see there is 50s. up; if there has not been a structural alteration in the next house, which is the same sort of house, the valuation will not be altered.

Re-valuation
in Ireland
should be
paid for by
the Govern-
ment.

26,778. And I think you expressed the opinion that the sooner that is remedied the better?—Yes, and I think in fairness, if we are to pay income tax on valuation in Ireland, the Government should bear the cost. The cost of Griffith's Valuation fell entirely on the districts.

Valuation
in Ireland.
A better
valuation
would be
obtained by
a central
than a local
authority.

26,779. I think you say in conclusion that you consider that you would get a better valuation in Ireland by a Central Authority than by Local Authorities, as in England?—Most certainly, and, indeed, the various commissions and committees, as I point out, have reported upon that. There seems to be one fatal objection to the local valuation, and that is that a considerable amount of public money has been lent to local bodies and owners, upon the basis of the central valuation, and I take it those loans will take a long time to run out. Of course you cannot have a system of local valuation which would alter the value of the chargeable property.

Labourers
Acts in
Ireland.
Cost at
lease and
interest.

26,780. Or the proportions in which properties were chargeable to existing loans?—No. For instance, there have been a number of cases of altering the proportions of the different areas under the Local Government Act. With regard to the Labourers Acts, that is an item

to which the railway companies contribute under local taxation, and I heard some of you ask another witness a question upon it, and I should like to lend to some statistics with regard to that, because they are really remarkable. This certainly bears upon local taxation, because of course the annual cost for interest falls on the local rates. The expenditure on ratings for agricultural labourers has amounted to about 1,600,000l., and the money has been borrowed at various rates from 2½ per cent. up to 4½ per cent.

26,781. (Mr. Arthur O'Connor.) You have a good many in Kildare, have you not?—We have, but not as many as in other counties. The anomaly—that is, what the interest and the sinking fund amount to on that 1,600,000l.—is 63,000l. a year, while the rents received only amount to 31,500l., so there is a loss there falling on the rates of 31,500l. I may say that does not allow at all for repairs, which, in the course of a few years, will come to an enormous sum. I cannot help thinking that it is most unfair to saddle railway companies with a cost of that description when, by the very Act under which these cottages are built, only agricultural labourers can live in them, and railway companies' officers cannot live in them—they would not be allowed to live in them—but we have to pay for the cost. In our union the figures are really more remarkable. We have 183 cottages costing 22,193l., and the interest and sinking fund amount to 1,032l. When you add the rent collectors' fees and the rents payable, it comes to 1,224l. a year; our rents received is only 475l., and there is a deficit falling annually on the rates of 769l. out of the total received of 1,224l.

26,782. (Mr. Smith.) I suppose the occupants of all these cottages have got votes?—Yes, they have. I may say, with regard to collecting the rates on these cottages—of course the rates now fall on the occupier—that is many of the unions they have reduced the rent by the amount of the rates, but the labourers did not see that at all, and although it is explained to them, they refuse to pay the rates.

26,783. Then they would not have votes?—Yes, the franchise is the parliamentary franchise; they are inalienable householders and they have their votes.

26,784. The old principle was no taxation without representation?—That is gone.

26,785. The principle now is representation without taxation?—Yes.

26,786. (Mr. Arthur O'Connor.) You draw a distinction between under-valuation of houses and the valuation of railway buildings and railway stations; I suppose you mean there is no alteration in the valuation of those houses which existed before the railway stations and other railway buildings were built?—Are you speaking of houses near railways?

26,787. Your words are, "The under-valuation of houses and buildings generally works a special injustice to railway companies."—Yes, because if you under-value our property, it necessarily means increased taxation on the property that is fully valued.

26,788. And you think they ought to be brought down to what you call the low level of Griffith's Valuation?—If there is to be no new general revaluation of houses, then I think it is equitable.

26,789. I am quoting your own words, that is all. I want to know what is meant by bringing down "to the low level of Griffith's Valuation."—Because the evidence already given by Mr. Robinson and Mr. Barton is this: that Griffith's valuation in the case of houses is, I think, from about 25 to 25 per cent. below the actual fair value of the houses now.

26,790. What was the standard by which the valuation of the railway buildings was gauged?—The railway buildings are based now upon a percentage of, I believe, structural cost or structural value.

26,791. Do you think that it is a reasonable basis of valuation?—I am not complaining of that.

26,792. Do you think it is a reasonable basis of valuation?—I think it is the only one possible.

26,793. It includes site, does it not?—Yes, I think it is the only one possible.

26,794. Structural value is irrespective of site?—No, it includes the site—it is the site plus the cost of the structure.

26,795. The structural cost is irrespective of site?—Of course, there is a value put on the site, too.

Mr. J.
Sparrow.
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Railways
include
Buildings
of a railway
company
are rated at
actual value
of building
not cost
for rating
purpose.

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Smyth.
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26,794. I am saying that if structural cost is to be the standard it may be very low in some places, it may be very high in others, according as the value of the site which is included is high or low?—The valuer considers, in the case of railway buildings, as I understand it, both the value of the site and the value of the building.

Valuation
of land
principles
involved.

26,797. Is there any objection to that?—No, I am not complaining of that.

26,798. Now, with regard to the valuation of railways, railways are an important department catering for a public want, allowed certain facilities of right of way, and right of carriage from point to point, subject to certain conditions; would you be satisfied if the valuator put upon railways was the valuation of the land actually occupied in each particular union or electoral division or county or town, and if they were charged simply according to the land which in their monopoly they had to occupy?—That would really be a prospect which we could never look forward to, it would be so delightful that we could never look forward to it.

26,799. You would not object to it?—No, I have here—

26,800. Your answer is yes, then; you would be satisfied?—Yes.

26,801. Very well, but as to be so short as we can; assuming that proposal is put forward, do you think there would be any practical difficulty in valuing the land as land in towns and in country within the limits of the railway occupation?—The observations I made with regard to the valuing of land generally would apply to that.

26,802. I will ask you, and you can answer yes or no, would there be any practical difficulty in valuing the land as land?—The same difficulties that I previously mentioned.

26,803. You occupy a certain portion of land in a town, you occupy a long pipe-like section through several counties, several parishes, several unions, several electoral divisions: would there be any difficulty, having regard to the value of adjoining land all along the line, in ascertaining the value of the land that is occupied by the railway?—In urban districts where the land is based upon a full market value there would be no difficulty; in rural districts where you have that, as I think, temporary state of things due to the Purchase Acts not being completed, and the Land Acts not being worked out to the full extent, I think you would have a difficulty.

26,804. Then your answer is that in urban districts there would be no difficulty?—No, I do not think there would be any difficulty.

26,805. And but for this annoying interference of the Land Commission there would be no difficulty in the counties?—I cannot put it all in that way.

26,806. But for the difficulties which have arisen in connection with the fixing of fair rents under the Act of Parliament?—I may point out that to have a uniform valuation you must have principles declared, and when a Land Commissioner fixes a rent he does not state general principles which would guide a general valuating authority.

26,807. Never mind the Valuation Commissioner; do you think that if you and I were sent across County Kildare and shown 50 miles of railway, and were able to measure the length of it and the breadth of it, we should have any difficulty in saying what would be, as compared with the adjoining land, on the long run the value of that piece of enclosed land for railway purposes?—I do not think there would be any difficulty, but I may point out—

26,808. There would be no difficulty?—As I said, I illustrated the difference between the way railways are taxed as compared with adjoining land, that in the

case of our railway—the Waterford and Limerick Railway—the valuation of our land works out to about 11s. an acre, and on adjoining land it comes to 11s.

26,809. I am not saying that your railway is not greatly over-valued; I believe it is; I believe that every railway in the kingdom is greatly over-valued; my only question is whether there would be any difficulty in valuing the land as land which the Waterford and Limerick Railway traverses?—I do not say that there is not some way out of it, but I confess I have never yet seen a principle delineated by which you could adjust it.

26,810. If there is any difficulty, could you say what it is?—I thought I had already explained it.

26,811. What is it? I must say I have not gathered it?—The difficulty of getting at the value where there is no market and no competition.

26,812. Do you think that the price paid as rent for adjoining land through the 50 miles would be no indication?—But then that land is not let at competitive rents.

26,813. Is not some of it?—Practically none of it.

26,814. None of it; there is no land in Ireland let at competitive rents?—There may be, but I think such instances have almost disappeared, even in cases where the tenants have such gross sales contracts.

26,815. Do you know that the Land Commissioners fix what is called the gross value?—I do not know; they do not fix—

26,816. Are you aware whether or not the Land Commissioners in arriving at a fair rent fix what is called a gross value? I know that under the recent Act of Parliament they are bound in the schedule to state what annual sum should be the fair rent of the holding on the assumption that all improvements thereon were made or acquired by the landlord. That answers the question.

26,817. I am going to your personal knowledge now as to whether you know, or whether you do not know—say yes or no?—If you mean by gross valuation—

26,818. Do you know, or do you not know—is it a mere question of yes or no—whether at present the Land Commissioners are in the habit of fixing what is called the gross value?—It depends what you mean by gross value.

26,819. No, I am not asking what I mean?—I confess I do not understand you; the term "gross value" does not occur in the Land Acts.

26,820. Do not the Land Commissioners fix the gross value, and deduct from that certain things, which leave a balance called the fair rent as between landlord and tenant—do they do that, or not?—They leave the rent, allowing the tenants' improvements to be free from rent.

26,821. I repeat the question, but I cannot make you answer it—do they, or do they not fix a gross sum from which they make certain deductions, and so arrive at a fair rent?—They are not bound to do it in any particular way.

26,822. Do they, or do they not, whether they are bound or whether they are not?—I do not know in practice what they do; they are not bound by the Act of Parliament to fix a fair rent in any particular way.*

* The Witness subsequently said the following:—Under Section 1 of the Land Law (Ireland) Act, 1880, and Article 11 of the statutory Rules of the Land Commission, 1887, the Land Courts are now bound to state in the schedule, the annual sum which should be the fair rent of the holding, on the assumption that all improvements thereon (including buildings) were made or acquired by the tenant, and in gross stippled valuation. It is, however, to be added that the term "fair rent," either in this or any other connection, is not defined. The cases in which the Courts have recorded the information required by the above section would represent a small fraction of the whole area of Ireland.

The witness withdrew.

Adjourned till to-morrow at 11 o'clock.

Dr. N. J.
Smyth.
29 Nov '99

SIXTY-THIRD DAY.

Thursday, 30th November 1899.

At St. Stephen's House, Victoria Embankment, S.W.

PRESENT :

ARTHUR O'CONNOR, Esq., Q.C., M.P., in the Chair.

C. N. DAINES, Esq., C.B.
H. E. CLARK, Esq.
T. H. KILMOTT, Esq., C.B.E. O. SMITH, Esq.
The Right Hon. J. L. WEAVER, M.P.ARTHUR WEIR, Esq., Secretary.
T. JENNIFER DAVIES, Esq., Assistant Secretary.

Mr. WILLIAM LAWSON MEIKS called and examined.

Mr. W. Lawson Meiks.
26,821. (Mr. Arthur O'Connor.) I believe that you have been a Commissioner on the Local Government Board for Ireland since the year 1895?—Yes.

26,822. And previously you were Secretary to the Congested Districts Board of Ireland for some seven years?—Yes, from the time the Board started.

26,823. You have attended here to-day at the request of this Commission, not necessarily as representing either the Local Government Board or the Congested Districts Board, but to give us the benefit of your own knowledge and experience with regard to local affairs in Ireland?—Yes. I have not been deputed to attend or to express any opinion on behalf of either the Local Government Board or the Congested Districts Board.

26,824. But I may assume that we may get from you the information with regard to congested districts in Ireland, especially which may have an important bearing upon the subject-matter of our inquiry. What is the first thing you wish to communicate to us with regard to local taxation?—I think if I were to explain first what the congested districts were, it would be well.

26,825. If you please?—I have had hung up behind you a map of Ireland, on which you will see portions coloured blue; those are all congested districts. You will see that there is a great deal of the country which is not coloured in between those congested districts; that uncoloured part is not congested. Whether a district was to be scheduled "congested" was decided by the ratio between its valuation and population. We divided the valuation by the population, and if the valuation per head was less than 1*l.* 10*s.*, that district was "congested" provided that 25 per cent. of the population in each geographical county was "congested"; for instance, in the Co. Clare there were a great number of electoral divisions that would be congested were it not that over 75 per cent. of the county is uncongested, and, therefore, the 15 per cent., or whatever it was, that would otherwise be congested could not be scheduled as all.

26,826. What was the area adopted for the purpose of the calculation; was it the township, or an electoral division or union or barony?—It was the electoral division taken in connexion with the restriction that 25 per cent. of the entire county should be "congested" before any electoral division could be scheduled.

26,827. (Mr. Weaver.) Do you mean the Parliamentary electoral division?—No, the electoral division for poor law purposes. Those electoral divisions are shown on my map, and they are rather small areas. The congested districts, roughly speaking, amount to one-sixth of the whole of Ireland, and the population in them is about one-sixth of the whole of Ireland (you will see that from the figures I have given in my short memorandum*) but—and this will show very plainly the poverty of the districts—the Poor Law valuation is only one twenty-fifth of the whole of Ireland, that is, notwithstanding the fact that the population of the west of Ireland includes the thickets and woody population in large towns such as Dublin, Cork, Limerick, and Belfast, and also includes nearly

all the indoor paupers. There are very few indoor paupers in the congested districts; the workhouses there are very thinly tenanted, whereas there are thousands of paupers in the Dublin, Belfast, Limerick, and Cork workhouses, and large numbers elsewhere in uncongested districts.

26,828. (Mr. Arthur O'Connor.) I believe that in one of these districts in the west, Duffinaghly, you have very great poverty, have you not?—In portions of it.

26,829. And that for some years there was not even one inhabitant a pauper according to the official return?—I was Poor Law inspector there for some years before I was at the Congested Districts Board, and I do not think I ever saw 20 inmates in that workhouse.

26,830. So that a return showing the number of indoor paupers, or for the matter of that, in that particular union, outdoor paupers?—There was no one on outdoor relief.

26,831. Would I furnish no gauge whatever of the poverty of the district?—No gauge whatever of the poverty, of course, it might be taken to some extent as a gauge of absolute destitution, but not of poverty.

26,832. You state that in these congested areas the people are in an exceptional position in reference to their capacity to pay taxes; can you tell us something about the local taxation there?—Those people are nearly all poor. There are two classes in the congested districts mainly, namely, the poor and the destitute; there are no wealthy people except traders. There are some shopkeepers and officials such as schoolmasters, clergy, and other Government officials, such as police and constables, those people are, of course, comfortable, but their numbers are very small, and therefore hardly any resident gentry in most of the congested districts. Nearly all the inhabitants are on one dead level of poverty. Their dietary is almost altogether vegetable. They have at one meal a day a little salt fish or a very small piece of some oceanic American bacon as a sort of relish with their food—that is those who can afford it, but the majority of the people have nothing but vegetable diet, such as Indian meal or oatmeal porridge, potatoes, and bread baked by themselves or sometimes by the baker from flour. They also drink tea to a large extent. As a rule, eggs and butter from the farm are sold or bartered.

26,833. Is it within your knowledge whether a very large proportion of the population in many districts are heavily in debt to the local vendors of meat?—I am afraid they are. They never really know the state of their account. They are not book-keepers themselves, they go to the shop and they find out how much they owe, and they are rarely, if ever, clear of debt. I do not like that system of dealing.

26,834. But otherwise they would have no food at all?—I do not know that. There is one thing—the shopkeepers very rarely fail in their business; they generally become comparatively wealthy men in a short time. I think they get more than a fair share of profit by this credit system.

26,835. But the amount of the credit given is something extraordinarily large, is it not, having regard to the resources of the district?—I think it is; it is

Mr. F. Lewis Meiks.
26,826. 19

Congested districts.
The people are in debt to tradesmen. They look at the shop, and make of living

Congested districts.
Poverty of

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Lester
Mills.
—
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universal credit, but it suits the shopkeepers best of all, in my opinion.

25,838. And the people pay as and when they can?—Yes, as and when they can.

25,839. (Mr. W. Lester.) Does the shopkeeper charge interest?—In a great many cases he does, and in a great many cases the credit prices is higher than the cash price; it is worked out in that way. Then, as regards their clothing, it is very poor. In some places they make their own tweeds; in Donegal, for instance, and the Kerry they make a good deal of their own tweeds, but their clothing as a rule is poor except on Sundays. They nearly all have a decent suit of clothes that goes on for years on Sunday, and seeing the people on Sundays and holy-days a stranger would think they are in a much better position than they are.

25,840. (Mr. Arthur O'Connor.) These are the people who happen to be out at the moment?—Yes.

25,841. Are not those clothes sometimes interchanged by different members of the same family?—I do not know that of my own knowledge, but you will see hundreds and hundreds of them going to and coming from mass all well dressed on Sunday.

25,842. Do they not have mass at different houses to enable a large number of people to change clothes on account of their wearing the same suit?—I am not aware of that. As a rule, in the country, there is, I believe, only one mass in each church. Many of the parishes in the west have a couple of churches in the parish and the curate will say mass in one and the parish priest in the other.

25,843. They are not in the same part of the parish?—No, they are at distant parts.

25,844. And the mass is not said at the same house, is it?—I think very likely it is said about the same house. Their week-day clothing is nearly always very bad, and their bedding is absolutely bad. Very few people have decent bedding, and they have to sleep, of course, in a great many instances without any proper separation of the sexes. In the poorest houses the whole family sleep in the same room, which is the only room in the house; and very often in the same bed. In the better houses the husband and wife, and perhaps a baby, if there is one, will sleep in the living room, and in a room off that, there will be two beds perhaps, and the boys will sleep in one bed and the girls in the other, the boys dressing first in the morning and going out, and then the girls dressing afterwards.

25,845. You have given me the figures with regard to the sexes, the valuation, and the population of the congested districts in the memorandum with which you have been good enough to furnish me, from which it appears that the average Poor Law valuation per head of the whole of Ireland is 2s., and for the congested districts 1s. 6d. only?—Yes, and in some places in the congested districts the percentage per head is as low as 4s. 1d., that is the lowest one I know of.

25,846. Where is that?—That is in the electoral division of Anaganny in the Glenties Union.

25,847. In the north?—Yes, in Donegal, but there are a great many other places where it is almost as low.

25,848. How much did you say?—4s. 1d. per head. In Meenashilly, which is part of Greenduff, it is 5s., and in Magheradough, another part of Greenduff, it is 7s.

25,849. What about Carr Mountain in Donegal?—That is in the Stranorlar Union. It is very much higher there, because there are so many good farms in addition. The 19s. 2d. is, I imagine, in the electoral division of Cloghan. There is another matter I do not think I have mentioned in reference to the houses. The cattle, horses, pigs, and fowls in a great many cases are drovies in the house; they come in at night and spend the night in the house where the family are.

25,850. I believe you are going to give me a short explanatory statement of some figures of the Congested Districts?—Yes. I have had these returns of local taxation in some congested and some un congested districts prepared.*

25,851. Have you anything to say with regard to the average local taxation during the last five years in the unions comprised in the congested districts' areas?—Yes, I wish to point out that in these districts, which are the very poorest in the whole of Ireland, the taxation

is by far the highest. I have before me the figures for districts in other parts of Ireland for the purpose of comparison. I could have selected some districts in Antrim, where the taxation, I think, would have been even lower, but Antrim perhaps is almost as low taxed as any other. It will show you that in the most wealthy parts of Ireland the taxation is very much less than in the poor districts.

25,852. You are now going to contrast the local taxation and the resources of the congested districts with similar matters in other parts of Ireland?—Yes.

25,853. You take an illustration, what?—I take as illustrations the unions that I have selected. Taking the total average local taxation on an average of five years, Donaghuey comes to 4s. 10d. in the 2s. on the Glenties, Glenties in 7s. 3d., Belmullet to 6s. 6d., Westport to 4s. 6d. (that includes some un-congested districts, which accounts for its being so low), Burrenford comes to 4s., Cullinstown to 4s. 7d., Oughterard to 4s. 2d., and Cahirciveen to 6s. 8d. In the three unions that I took in the north of Ireland, Antrim comes to 2s. 7d., Londonderry to 3s. 7d., and Newtownards to 2s. 6d. I could have selected a great many in the counties Down and Antrim, where the taxation would have been much lower than the taxation of Londonderry.

25,854. Derry itself being not many miles away from a portion of the congested area?—It is, of course, a good bit—40 or 50 miles.

25,855. It is 12 miles here (pointing to the north)?—Yes, in the Inishowen part.

25,856. And as you have taken the rural portion of Londonderry it would even be less, because that would cover some of the intervening area?—Yes, the amount raised on this high rate of taxation is very small. The valuation, of course, is so low on this poor land that a sufficient amount is not raised to keep the Poor Law infirmaries and other Poor Law buildings as anything like as efficient a state as they ought to be in. The workhouses and infirmaries in most of the congested districts, owing to the poverty of the people, are necessarily in a worse condition than the infirmaries and Poor Law institutions elsewhere in Ireland.

25,857. The local resources are so low that even with this high rate of local taxation the indispensable needs of the locality cannot be properly met?—That is so.

25,858. Are there not for what you call county cess purposes different charges in different areas?—Yes, there are charges on baronies.

25,859. Or on half baronies?—Yes.

25,860. Or even on certain town lands?—That would be chiefly for malicious injuries and matters of that kind.

25,861. Whatever it might be, these charges are distributable over fractional areas sometimes?—Yes. The main general charges are either on a barony or on a county at large.

25,862. Such as a guarantee for a railway?—In regard to the guarantee for a railway, they may have part of a barony for that, but I cannot say definitely.

25,863. Will you please tell me whether any of these congested districts are liable in respect of guarantees to that?—Yes, the Kerry ones are. Kerry people have to pay a great deal for railways. The Donegal railways were a free gift, and practically there was no guarantee asked for them.

25,864. In Kerry, is it true to say that the county cess charges alone amount to between 5s. and 6s. in the 2s.?—Yes, I believe so. You see it is 6s. 8d. for Cahirciveen, which is the only Kerry union that I have taken for the entire local taxation.

25,865. But in portions of that union it is very much higher, is it not? In Ballynaskeilly, for instance, is not the total 9s. 2s.?—Yes, Ballynaskeilly is 9s., 5s. 4d. of that being for county cess and 3s. 8d. for poor rate.

25,866. Is there in the north any case of guarantees?—No, not in Donegal, under the recent Acts.

25,867. Not beyond Letterkenny?—No, that is a free loan.

25,868. Is that congested?—Letterkenny itself certainly is not congested.

25,869. Are not portions of it congested?—Yes, some parts of the union are. For instance, the electoral division of Bessac.

25,870. Is there any charge for a guarantee on that barony?—I think there is for a railway in a district

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Mills.
—
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Completed
districts.
Amount of
valuation
and of
poor rate.

Mr. W.
Lemon
Mills.
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part of the county, but not for any of the present railways. Kerry is where the railway guarantee falls heaviest.

25,871. Have you any practical suggestion to make to us with regard to the local taxation, or its distribution, or its incidence?—The only thing that suggests itself to me from these figures would be the desirableness, if it could be done, of giving some aid to these districts, so that their sick and infirm should be as well looked after as elsewhere. Whether that could be done by a rate-in-aid or otherwise I cannot say.

25,872. Let us take the case which you have instanced as an electoral division of Annagarry, which is in the Glenties union of Donegal; the valuation there is 1s. 1d. per head?—Yes.

25,873. But the poor rate is 5s. 6d. in the £, and the county cess 5s. 1d., so that the total local taxation represents 10s. 6d. in every 20s. £?—Yes.

25,874. That is to say, of the 4s. 1d. valuation per head, 2s. 1d. goes to local taxation?—I do not quite follow you there.

25,875. The total local taxation is 10s. 6d. in the £?—Yes.

25,876. That poundage works out to 6s. 1d. per head of the population?—Yes.

25,876a. And then, if you take five in a family, it roughly means, does it not, that the payment per head of a family would be about 10s. £?—Yes, that is another way of putting it.

25,877. The way in which I put it to you is that of the 4s. 1d. valuation, 10s. 6d. in the £, or a little over 50 per cent. goes for local taxation?—Yes.

25,878. I suppose there is no other case which presents such extreme features?—That is even more extreme than it looks, because Annagarry must be from Glenties workhouse, I suppose, about 30 miles, and it is hardly necessary to say that there are very few inmates from Annagarry in the workhouse, and I know there is very little out-door relief there, and you will not meet worse country roads in Ireland than you will in Annagarry, so they do not get good value for their poor rate proper or for the county cess. The fact is, that the amount raised is not sufficient to do the work properly.

25,879. The absence from the workhouse is no indication of the absence of distress?—It is no indication of that.

25,880. In the Annagarry district there are people who, in this country, would certainly be in the workhouse, but who will not go in the workhouse?—I do not know what would send them to a workhouse in England, but in the rural districts of Ireland they do not think of going in unless they and their friends are practically without any means whatever.

25,881. With regard to the valuation, have you anything to suggest to us?—The only matter that occurs to me is the desirableness of uniformity of valuation.

25,882. Uniformity, in what sense?—Uniformity all over Ireland; that is a valuation made on the same basis.

25,883. Is not the valuation made on the same basis now theoretically?—It was made at different times, and the places that were valued late in the series and early in the series are very differently valued in those which were valued late in the series and in the series. The valuation of Ireland took a long time. The table would show you the dates when the several valuations were made.

25,884. I think we have already said that before us. Do you think that, to establish uniformity of valuation, there would be required any great length of time or any large expenditure of money?—I would not offer an opinion on that, but Mr. Burton, of course, would give an estimate. One item, for instance, the cattle diseases expenditure is assessed over the whole of Ireland on the valuation. It follows that there must be some districts paying more and some less than they ought to do. It is a small rate; it is only a farthing in the £, and it does not make much matter, but it is, of course, not quite equitably raised.

25,885. The congested districts are partly in the north and partly in the south, are they not?—And in the west also.

25,886. The valuation in the south was earlier, and the valuation in the north was later?—Yes.

25,887. Can you tell us as between the congested districts of the north and the congested districts of the south what, if any, difference in valuation there is? Take Kerry and Donegal?—I am not speaking of my own knowledge of the valuation, but I believe the valuation in Galway, for instance, is very much lower than it is in Donegal.

25,888. And in Kerry, what would you say?—In Kerry, I believe, it is the same, and in Mayo too, but I do not profess any knowledge of valuation.

25,889. The standard in Donegal, you say, is higher, if anything, than the standard in Galway?—So I have always heard.

25,890. And Annagarry, being in Donegal, where the standard is generally higher, does not represent anything too low in the matter of valuation?—No.

25,891. They are fully valued at their 4s. 1d. £?—Yes, fully. The district is almost a continuous sheet of rock; there are little patches of potatoes, not bigger than the space between these hills, taken in between the rocks, and tilled anyhow. There is not such a thing as a field in the whole of Annagarry, that I ever saw.

25,892. What fields there are are fields of six square yards in area?—Yes, I have seen them as small.

25,893. Cultivated on a ledge with great labour?—Yes. It is almost impossible to value that place. Their chief income is derived from earnings as labourers in England and Scotland—there they make their money, and they make something by fishing and knitting, &c. as well.

25,894. (Mr. Wrenn.) Could you tell us what is the average allowance per week to an out-door pauper?—A great many of them get 1s. 6d.—that is quite a common thing—and 2s.

25,895. Is that about the average?—I do not say it is the average, but it is a common amount; it is a very usual amount given often by boards of guardians. I know. I am not speaking statistically now, but it is an amount that guardians often give to a single woman.

25,896. Do they allow more to a male than to a female?—They do not give it to make as a rule in the north.

25,897. Take an aged man—a man who is not capable of work—would he get his 1s. 6d., or would he get more?—There are really very few cases. In some unions there are very few, and in a great many unions of Donegal there is not a single case of out-door relief; for instance, in Letterkenny—and there, practically, never has been since the Poor Law started.

25,898. How are they relieved if they do not go into the workhouses?—They are not relieved by the Poor Law.

25,899. They relieve one another?—Yes; they are very helpful to each other. The poor mainly support the destitute out of, as well as in, the workhouses in such districts.

25,900. Then there is really very little money expended in out-door relief?—Very little; but in some parts of the south of Ireland, such as Tipperary, Limerick, and other southern counties, there is a great deal.

25,901. We are speaking of the congested districts?—In the congested districts there is not much.

25,902. The expenditure, for which you say there is a great difficulty in raising money, is not occasioned then by any out-door relief?—No, it is not occasioned by provision of any kind.

25,903. What was the principal item of expenditure upon which this money, which you say is difficult to raise, is expended?—Upon the salaries of the officials, for instance, and then there is expenditure under the Public Health and Medical Charges Acts for dispensaries and the keeping up of the workhouse, and such inmates as there are in it.

25,904. You say there are very few indoor paupers, can you tell us at what the average cost of the indoor pauper is?—There is in the annual report of the Local Government Board a return showing for every workhouse and every union in Ireland the average cost of maintenance.

25,905. Then we can get that from a published return?—Yes.

25,906. You say that the workhouse buildings are in most cases in the congested districts in a bad state of

Mr. W.
Lemon
Mills.
25 Nov. '93

Congested
districts.
Valuation
is different
between
congested

Congested
districts.
Amount of
outdoor
relief is
small. In
a number
of poor
law unions
no relief
is given.

Congested
districts.
Expenditure
on
outdoor
relief.
There is
insufficient
money to
provide
proper
farmsteads,
&c.

Mr. W. L. Lumsden. 26,900. Not materially less?—No, a few thousands less.

26,901. With regard to the valuation, would you not be rather inclined to say that these districts have shared in the same distress which has fallen upon other agricultural districts, and that the probabilities are that if there was re-valuation the valuation now would be lower than what it was when the valuation was originally made?—I do say the valuation might be lower in some cases.

26,902. (Mr. Glyn.) Will you kindly explain to me how a union is generated where it extends for a distance such as you say, perhaps, of 40 miles in one direction?—The guardians, who are the district councillors, are supposed to come in; but very few of them attend except those in the immediate neighbourhood, unless there is some special object for the meeting, of which they get 14 days' notice.

26,903. I presume they meet at the workhouse?—Yes.

26,904. And that workhouse may be, perhaps, 30 or 40 miles away from the extreme side of the union?—Yes, it may be, and in some unions, such as Glenelg and Westport, it is.

26,905. Is it not the fact that what I may call the inland and outlying parishes may be very much neglected by the guardians' government?—Their guardians are not present at the meetings very often, they are very rarely present at the meetings.

26,906. If I take one of these parishes where you say no one has excepting these people, who are only a small degree removed from what we should call paupers in England, how are they possibly able to waste a day and travel about to attend a meeting of the guardians, and how can their representatives do it?—The guardian is very often the shopkeeper, and the shopkeeper is very well able to afford his trip to the headquarters of the union. The representatives frequently do not reside in their constituencies, but in or near the town where the workhouse is. There are not many farmers in distant detached districts who are guardians—they could not afford it.

26,907. In these a tendency there, do you think, for the shopkeeper to recommend some outdoor relief to be given to somebody who may owe him an account of his shop?—No, indeed, I think he keeps it down as much as he can, I have heard what you suggest and in some unions, but I do not think there is very much in it as regards the congested districts.

26,908. How do these people live; are they peasant proprietors, or are they in some way employed as labourers?—They nearly all hold as judicial tenants. Their rents are very low in some parts. In the north, for instance, the average rental of the population in the parish of Gweddore (I went into it extensively) is 17s. 11d. per holding; for the entire holding. Then, when you come down to Enniskillen in Mayo, there a few of the rents go up as high as 4l. The rents you may say vary from a few shillings to 4l. a year, and a common rental in Donegal will be about a couple of pounds or so.

26,909. I suppose one would not be wrong in supposing that the population is probably about five or six times the number of assessable—that is to say, for each properly assessed there would be a family, so an average of five living upon it?—Yes, five depend something—5½ we will say.

26,910. Even in the congested districts, according to your return, the average assessments must be just about 1½, because you say it is 1l. 0s. 2d. per head of population, and five times that would come to 5l. in the assessment?—That cannot be so.

26,911. You have given us a return showing the valuation per head of population?—Yes.

26,912. Which does not to my mind exactly explain the position so well as it would do if you gave a return showing the average valuation of each assessment?—Of each holding, do you mean?

26,913. Of each holding; that would convey to my mind a better description of the character of the district than the average valuation per head of the population?—I took the head of population rate as being the test established by the Act of 1891, under which the Congested Districts Board was formed. The test was not a partial selection of mines; it was the one taken by the Legislature at the time.

26,914. But, as a matter of fact, even in the congested districts the average valuation is more probably about 5l. than under 5?—That I am quite sure cannot be so, I do not know how that works exactly; I will look into it. You will hardly find such a thing as a 5l. valuation in the congested parts of Donegal, Mayo, and Galway.

26,915. Then, I venture to suggest there must be something misleading in this return?—There is something to be explained there.*

26,916. Thank you, would you just explain to me, please, what is the effect of declaring a district to be a congested district?—The Congested Districts Board may then take such means as they think fit under their Act for the improvement of the condition of the people living in it.

26,917. Does that mean to say that the Congested Districts Board can spend money, we will say, in dispensaries or in improving roads?—They do a little in improving roads, but they do not do anything in connection with the Poor Law at all. They help fishing, and they improve the breed of cattle and horses and pigs and poultry; they build some fishery piers so as to enable fishing boats to come alongside and deliver fish, and they help in various ways other industries.

26,918. They try to help the people, so to speak, to help themselves?—To help them materially towards earning money.

26,919. Do you find that the people are keen to take advantage of the opportunities offered to them, and to improve their position?—They are, especially in the north.

26,920. Do you think they would be willing to take a good wage per week instead of being independent proprietors?—They are not independent proprietors, they are only tenants; there is nothing they would like so much as a wage per week.

26,921. If they could get it?—Large numbers go to England for any season of the year when they can get employment there or in Scotland. They earn, we will say, from 5l. to 10l. after feeding themselves over here, and that is one of their main sources of income.

26,922. Looking at some of those returns which you have given us, it would almost appear that even if the whole of the rateable value of the districts were spent it would not be sufficient to give that reasonable administration of the district which ought to be obtained throughout the United Kingdom?—A little more would improve their infirmities very much, say 300l. or 500l. a year additional spent on one of those country hospitals might make it very good and payable.

26,923. Do you think it would be advisable for the central Government in some way or other to undertake the provision of these hospitals and so relieve the poor rate of the charge?—I do not like to offer an opinion upon that.

26,924. Is the charge for lunacy included in these rates?—Yes, it is included in the county cess.

26,925. Do you find that the charge for lunacy is bearing heavily upon the county and is increasing?—The number of lunatics is said to be increasing, at all events, the number on the asylums is said to be increasing.

26,926. Have you any opinion of your own as to the cause of the increase of lunacy in Ireland?—No.

26,927. As a matter of fact then, so far as the amount of money is concerned, a comparatively small amount obtained from some source or other would give a very substantial and valuable relief to a large number of parishes in those congested districts?—Yes, to the sick and infirm.

26,928. And you think that, on the whole, expenditure in a better provision for the sick would be the best thing that could be suggested?—It is what I should like best and most, personally.

26,929. (Mr. Dalton.) Does the 17s. 11d. per holding include the mine?—That includes the house.

26,930. And the 10s. head?—And the land, and the fishing—the turf, and the right to take the seaweed for manure.

* The witness subsequently stated:—"After looking into it I find that about 1½ would be the average valuation of a holding, taking into consideration all the congested districts, but in the poorest congested districts, where only one Congested Districts Board operates to my estimate, the great majority of the holdings are much less than 4l. a year. I had only one poorest district in my mind when saying 'to provide quarters.'"

Congested districts. Rental of holdings.

Congested districts. Increased expenditure. How to provide for the sick would be the best thing.

Congested districts. Cost of poor relief.

Mr. W. Lawson
Mills.
—
p. 107-79

Effect of
the Act of
1878 as to
equalisation
of cost
in electoral
divisions.
The rate
of county
rate.

26,971. What is your system for allocating the cost of the relief of the poor amongst the several parishes and unions?—Under a recent Act, the Act of 1898, it is made a union charge.

26,972. That will remove a great number of the inequalities that appear in this table of yours, I think?—It will, I think; it will make some pay more and some less, but the inequality will not be so great.

26,973. Take Annagarry, that you have been speaking of, that is 5s. 6d., and in two other parishes in the same union it is 1s. 10d.; that is a very great difference?—Yes, and the average for the union is 7s. 3d.

26,974. You mean for the total?—Yes.

26,975. Taking the poor rate?—Yes, the 10s. 6d. would come to 7s. 3d.

26,976. What is your system for the question of the poor; what is the average relief of the poor for the union, there?—8s.

26,977. And you have got Annagarry 5s. 6d., and you have also got two other parishes of 1s. 10d. each?—Yes.

26,978. Was it the practice previously to the new Act to charge each parish with its own poor?—The parish is not the unit in Ireland, it is the electoral division, and the practice is to charge each electoral division with its own expenses. Then if an insufficient rate were struck in one year, you would have a higher rate the following year to make up the deficiency, or if any unexpected papers came in, that is, if a greater number came in than the estimate, the rate necessarily would be higher.

26,979. We know that prevailed once in England, where we had enormous rates in some parishes and very low rates in others and that has been the case in Ireland, too?—That has been the case in Ireland; some rates are as low as 4d. in the £ in Ireland.

26,980. Going to your county case, I see you have a certain number of districts at 3s. 12d., and a certain number of them at 3s. 4d.?—Yes.

26,981. Has any alteration been equalised over the different electoral divisions?—Yes, it will no longer be taken on these bases.

26,982. It will be taken over a larger area?—It will become a county charge or a district charge.

26,983. That will remove a great many of these inequalities, I suppose?—Not so much in the county case, as the areas for taxation are much larger than for poor rate.

26,984. What difference will it make in this case—in some electoral divisions it is 5s. 6d. and in some it is 3s. 4d., what will it be under the new Act?—It may not be very much different.

26,985. You gave 3s. for the poor rate under the new Act?—The poor rate may be changed but the county case may not be changed so much because a great many of these old burdial charges may become district charges.

26,986. Have you any grant-in-aid of your Poor Law medical officers?—We have, out of the local taxation account.

26,987. What proportion?—We have half their salaries.

26,988. You gave us the salaries just now as being 441s., do you get half of that from the Government?—No. The remuneration of doctors, workhouse teachers, and trained nurses is partly defrayed out of the Local Taxation Account, the rest of the expenditure on salaries is paid out of the rates.

26,989. Then, as to what remains after?—The salary of the medical officer of that union, I think, is about 500 or 600 a year, and the ratepayers would get 250 or 300 of it.

26,990. That represents only half the salary of the medical officer?—Yes.

26,991. On what other officers' salaries do you get any aid?—The salaries of school teachers are paid altogether out of the Local Taxation Account. In the case of any workhouse that has a certified trained nurse half the salary will be paid, but this is a new concession.

26,992. But you have not, as they have in England, a certain proportion of all the salaries of the Poor Law officers paid by the Government or paid out of a grant from the county?—There was a grant which went towards that, or rather which was based on that, but it was not a repayment of salaries.

26,993. What was it exactly, was it the same as the English grant?—I believe so. We get, I think it was, 8 per cent., Scotland got 11 per cent., and England the balance.

26,994. It was not allocated to the Poor Law relief?—Not definitely.

26,995. (Mr. Arthur O'Connor.) You have been asked about rent; I suppose the rent represents the financial relations between the landlord and the tenant?—Yes.

26,996. The landlord, I suppose, in most of these congested districts has supplied the land and the land only, and the tenant in a very large number of the cases has built the house and made the improvements?—Yes, he has built the house and filled the farm.

26,997. But the valuation goes to the whole thing as a complete concern?—Yes. Of course, the house, the buildings, and the land are shown separately.

26,998. Therefore the valuation in its total covers more than the rent covers?—Yes, it covers the tenant's improvements.

26,999. One might, from that point of view, almost anticipate in effect, rightly or wrongly, that the valuation would be higher than the rent?—You might anticipate that, if the rent and the poor law valuation were fixed on the same basis.

27,000. Is there anything else that you think you could with advantage add?—I think I have said all that I wanted to say in coming here.

27,001. The Commissioner is very much obliged to you for your evidence and for your attendance here?—Thank you.

The witness withdrew.

Mr. Henry Platts called and examined.

27,002. (Mr. Arthur O'Connor.) I believe you are the general manager of the Great Northern (Ireland) Railway Company?—Yes.

27,003. You have had an experience of some 30 years in connection with Irish railways, I believe?—Yes, I have.

27,004. And you appear to-day at the request of the railway companies of Ireland, who are parties to the Railway Clearing House, who desire through you to submit certain views to this Commission with regard to the valuation of railways?—That is so.

27,005. Will you kindly tell us what you wish to put before us?—At present the valuation in Ireland is made under the Act of 1878 from the Valuation Office, and the view of the Irish companies is, that the present system is a good and desirable one, and are that they would not like to see interfered with. Under it, each separate railway is valued as a whole, and we consider that this is a means by which you get a proper and fair valuation, and that the valuing of railways is separate parts, or by separate sections, would not be anything

less as equitable or fair, nor would it give any accuracy of there not being an over-valuation in general by these separate detailed valuations. As a further reason, we look upon the official valuator as being entirely disinterested, that is, we consider he works upon some fixed principles, and that these valuations are not influenced by any personal or local considerations which would be likely to prevail if made by any local assessment committees. On that account we feel that the present system is entitled to, and is accorded with, very much greater confidence than could possibly be accorded to a valuation that might be made by local authorities.

27,006. Do you attach any importance to local acquaintance with property and comparative values of stock?—Yes, we do, and we think, in view of the principle laid down by the Act, that that ought to be carefully considered.

27,007. How would you secure that?—We consider that those valuers, who are conversant with the whole circumstances of the country and all classes of pro-

Mr. W. Lawson
Mills.

26 Nov. '99

Grants to
aid the
costs of
medical
officers
and trained
nurses.

Valuation
of land in
Ireland
includes
the buildings.

In a large
number of
cases the
tenant has
made the
buildings
and im-
provements.

Mr.
H. Platts.

the best.
Also is an
economical
one. This
is the
opinion of
the Irish
railway
companies.

Railways.
Valuation
of railways
in Ireland.
The present
system of
valuing is
a good
one, and
the persons
intended to

Mr.
H. Piers.
23 Nov. '92

party, are the most likely people to give due regard to the circumstances requiring consideration.

27,008. Do you think that the members of the Civil Service, who are on the staff of the Commissioner of Valuation, are personally acquainted with the comparative values of property in all parts of Ireland?—I think they are the most likely people we have available in Ireland to be acquainted with it.

27,009. Do you think that the civil servants in, say, the Registrar General's Office in this country or in the Ordnance Survey would make a good authority for assessing property in England?—I should assume that in these departments there are men with the same knowledge and the same training that these men have who are the fixed officers of this Valuation Office in Ireland; I take it that they have been trained for this particular work, and that in the course of their labours they have acquired a knowledge and an amount of information with regard to the various properties that no one would possess other than those who have had the experience and the training that they have had.

27,010. Are these officers stationed all over Ireland like the postmasters, or anything of that sort?—No. They are all stationed to the Central Office in Dublin; but I understand that when there may be a valuation taken of any particularly large property, such as the one that is being carried on in the city of Belfast now, that then a number of these valuers are located there for the time being.

27,011. Have these valuation officers in Belfast any means of obtaining local knowledge, or do they utilise local knowledge?—I am not aware whether they carry out the work entirely by themselves or whether they bring in any outside aid or not.

27,012. You do not know whether they go down to Belfast from Dublin and produce a valuation out of their own minds or judgment independent of local experience?—I do not.

27,013. Do you think if that is the way they do it in Belfast it would be likely to result in a satisfactory valuation of, we will say, one of the suggested districts?—I do not quite follow your question.

27,014. Do you think if that is the way in which they value Belfast, the same process would be satisfactory if applied to one of the suggested districts in the west of Ireland?—I think so. They would be dealing with an entirely different class of property, it is true, but they would have a knowledge of its value, taking into account the circumstances which go to show its value. Then, I may say, we attach considerable importance to this—that the present system is a much more economical one than would be the case if the valuations were made by different local authorities. We also think that valuations made in the latter way would be liable to differ materially according to the motives that might actuate the Assessment Committees, and further that there would be a strong disposition in that case to fix the valuation of railways and other similarly circumstantiated property as high as possible in order to relieve other ratepayers. We do not think that a valuation arrived at in that manner would have the character of proportionality and uniformity, which is an important principle of the Valuation Act of 1852.

27,015. Supporting that railways were regarded as undertakings for the public service, having the right of way from one end of the line to the other, under public powers, and as corporations which have made a great deal of money in necessary plant, buildings, and rolling stock, and that the proper principle on which to value them would be to rate only the land which they occupy—would you think that a reasonable ground for assessment?—Supporting we were starting on the valuation question afresh, I should be inclined, probably, to take the view that in the case of the land which was used solely for the railway, that is, for running purposes, a valuation is relative to the adjoining property would be a reasonable mode of valuation.

27,016. I am asking you whether you think it would be a reasonable and fair thing to assess railways, or to value railways for rating purposes on the ground, and the ground only, which they occupy for the purpose of their undertaking?—What do you mean to establish by that?

27,017. I mean to disregard their rolling stock, their stations, and their expenditure of every other kind, and to regard the land which they occupy for their undertaking as the thing which should be rated; do you

think that would be a fair way of treating the railways?—That is what the railway is valued upon now.

27,018. Are their buildings not rated now?—Quite so.

27,019. I am putting to you something different; I am asking you whether you consider that it would be fair to value a railway in respect only of the land, the ground, the portion of the earth's surface which they occupy?—I have not thought of the question in that sense; being very much impressed with the fact that we are rated for buildings, and all that sort of thing, at present. I should like to consider the matter before I commit myself to any definite opinion on that point.

27,020. You have no objection yourself to suggest to us?—I have not, at present.

27,021. Supposing that plan was adopted, do you know of any difficulty which would be met with in fixing the valuation of each particular portion of the ground so occupied?—I think there is very great difficulty in doing that, it would involve an enormous cost, and, as such, I think, altogether disproportionate to the amount that would be involved.

27,022. Do you think that if you took a section, 50 miles long, of a railway running through a county, it would be difficult by comparison with the adjoining land to say what is the proper valuation of the strip occupied by the railway?—Do you mean, as comparing one portion of land with another portion of land regardless of its earning properties?

27,023. Assume that in a county represented by the piece of paper there is a line of railway running; given the valuation of the land on each side, is there any difficulty in fixing the valuation of that strip so occupied by the railway?—No, I do not see any having regard to also adjoining property.

27,024. I meant with regard to the country part, do you see any difficulty in assessing the valuation of the land occupied by railways in urban districts?—No.

27,025. Is there any other point you wish to urge?—Yes. Assuming, as an alternative system to the valuation of Irish railways as a whole as it is now, that it should be made according to the amount of property in the areas of the various local bodies similar to what has been the case in England, we think that would involve an expense that would be very disproportionate to any result, and also that there is at present no means by which that information could be obtained as regards the valuation of different sections of the railway in the different poor law unions.

27,026. That difficulty would be got over, would it not, by the plan that I have suggested?—Of taking the value only of the land adjoining.

27,027. That difficulty would then disappear?—Precisely so.

27,028. And a great many other difficulties would disappear too, would they not?—I think that would clear a good deal of difficulty out of the way.

27,029. Not only with regard to railways perhaps, but with regard to other things?—Possibly so. I should point out on having relation to the value we attach to the valuation office in Ireland that there is really no machinery other than that of present opinion by which you could obtain any reasonable valuation. You have in England, of course, a Surveyor's Institute, with a number of gentlemen specially trained for this class of work, but we have no corresponding body in Ireland, and, therefore, our local authorities have to men of experience trained to this work at head that they could call upon for assistance and guidance, nor have they themselves that knowledge which would be necessary to deal with questions of valuation.

27,030. I suppose that if there were local authorities to assess values in the districts through which a line of railway goes, those local authorities would, in your opinion, be likely to increase the charge against the railway to the relief of other ratepayers?—That is quite our opinion.

27,031. And that is quite sufficient for you to be in favour of the existing state of things rather than of such a change as that?—It is a very strong reason, in addition to which there is the question of the continuity of the existing system.

27,032. But I suppose, again, if local authorities assess, and assess only the value of the land?—As land?

Mr.
H. Piers.
23 Nov. '92

Railways
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of value
railways
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tributable.

Railways
Don't
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should be
valued by
the Com-
missioner
of Valua-
tion.

Railways
How far
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value rail-
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the basis of
the value
of the
ground
occupied
only.

Mr.
J. Fisher
after 10

27,033. As land—you would not have any objection to their assessment, because I presume that your land would be rated at the same rate as adjoining land?—I think we should see no objection to that.

27,034. (Mr. Whistler.) No railway company would if they were only to be rated on the land alone?—I should think not.

27,035. Provided that the valuation of the land were not raised very largely by having the rating of all other buildings, underpinnings, and so on, placed upon the land as well; however, that is a matter which you say you have not considered?—If you dealt with the land in that way, it would follow that the building's valuation must be dealt with on a proper principle, having relationship to the corresponding value of other classes of property of that kind.

27,036. You are here as representing not only the Great Northern (Irish) Railway, but, I think, you speak generally for the railway companies in Ireland?—Yes, the companies have considered this question, and have desired that their views should be put before you.

27,037. And you say, speaking for them, that you are perfectly well satisfied with the present system of general valuation and subdivision according to train mileage?—Yes, not according to mileage of railway.

27,038. You differ from the Scotch system in that the Scotch system is a subdivision according to local mileage, and yours is a subdivision according to train mileage?—That is so. We think our system subdivides the earnings value in a more equitable way, and as the line is divided into various sections corresponding generally, and as near as may be, with the volume of traffic on those sections, the subdivision by that means we think as nearly divides the earnings value equitably as it could be done. I may just mention as showing two extreme points, that in one portion of our system we run, say, 54 trains per day, and in another portion we run six, and that earnings value being divided in those proportions, we think each of those districts gets really in the distribution the fair amount of the total valuation according to their particular locality in accordance with its value.

27,039. In fact, the railway pays rates according to the amount of business done by that railway in that area; that is practically what it comes to?—Yes.

27,040. Now, with regard to the rating of stations and buildings, is that dealt with in at all a similar way?—The value of the stations is included, of course, in the first valuation, because it is based upon the receipts of the line, including stations; then, after that is served at, the value of the stations is taken on the same basis as other property, and for the purpose of that valuation it is taken at 4 per cent. upon the structural value, and so served at. Now, upon that point we think that you must look upon the stations as being a part of the railway system; that is, in themselves they would not be of great value, and if, when their structural value has been arrived at, you took that at 3 per cent. instead of 4 per cent., that would be a more reasonable subdivision than the existing one. Of course, this is only a question of subdivision, and it does not affect the question of the amount of the valuation.

27,041. Then, dealing with paragraphs 8 and 9 of your memorandum,* I see that you suggest that the 17½ per cent. allowance for depreciation of rolling stock, trucks, and so forth, should be somewhat raised?—Our experience for some years past has been that all these risks and contingencies which have to be covered by that allowance have been a largely increasing quantity. It might possibly have not been a very unreasonable figure at the time it was fixed, but we do not think it is sufficient to cover these risks and contingencies now. The labour question is one, and is a very important one now in this respect, that there is both a direct increase in wages and there is also an indirect increase owing to the reduction in the hours of labour, which has been felt very seriously indeed by the railways in Ireland for the last few years in which it has been going on. There is also the question of the large increase in the price of coal, and so forth. That has been for some time past an increasing quantity, and is now an extremely serious one. We were making a calculation the other day, that if we were having to enter into a contract now for one coal, it would cost us nearly £60,000, a year more than has been the average for some years past. All these are very serious liabilities

ties which have all to be met by this allowance. There is also the question, of course, of the requirements from time to time by the Board of Trade, that they are in many respects, no doubt, very proper, but they are not matters that increase the earnings; and there again the expense must be met by this allowance, as there is nothing else to meet it.

27,042. I might suggest to you that probably you would find some little increase in your expenses owing to the Workmen's Compensation Act?—That is so; we have found that already a very considerable increased cost has been thrown upon us in that respect.

27,043. Your suggestion is that there have been of late years increased expenditures from various reasons which leads you to ask that there should be a recommendation for a further reduction over and above the 17½ per cent.?—Yes; some of those liabilities to expenditure were not extent when this allowance was agreed upon.

27,044. They are new liabilities that have occurred since that time?—They are new liabilities, and the tendency of things is that they are increasing.

27,045. Then, in paragraph 10 of your memorandum, you allude to the excessive valuation of railways in comparison with other properties; do you wish to make any comment upon that?—Yes, if you please. The principle, of course, is that the valuation should be proportionate and uniform, but this appears to be departed from in dealing with railways. The Commissioner of Valuation has stated that, in arriving at the valuation for other hereditaments, he allows 22½ per cent. on the average; that is, from the net annual value in order to take down; but he has never given us the benefit of that reduction, and therefore, to that extent, the railways have been placed at a disadvantage. Now, on the hypothesis that the allowance which is now made on tenants' capital is sufficient, we should then be valued upon our buildings at their full net annual value as compared with other hereditaments which are getting an allowance of 22½ per cent.; but, if that allowance on the tenants' capital is not sufficient, then we are prejudiced to the extent both of that difference and also of the 22½ per cent. We certainly think that in that respect we ought to be placed on a proper footing in comparison with these other hereditaments upon which this 22½ per cent. is allowed.

27,046. Then, with regard to paragraphs 11 and 12 you show that you have got partial exemption, but that you do not think there again you get the full amount of consideration that you ought to have?—That is so. I should think that, perhaps, in some extent it has been more from oversight than from intention, probably, that these exemptions which were allowed by the general Acts were not made applicable in all cases. We think it would be a very reasonable and fair thing that, under whatever powers those particular rules are levied, the railway company should have the exemption the same as if they were levied under the Towns Improvement Act or the Public Health Act.

27,047. Do you find any difficulty in dealing with the rating authorities?—As between us and the rating authorities, do you mean?

27,048. I mean, have you much litigation?—No. I may say that the valuations of the valuation officers are practically accepted, and it is seldom that there is any appeal. I think that is one strong argument in favour of its continuance.

27,049. That is a tolerably good proof that the present system works well?—It is so; we think it is a very strong argument in favour of its continuance.

27,050. (Mr. Smith.) How often are the railways re-valued?—There appears to be no certainty as to the periods. The railway I am connected with was re-valued in the year 1896, but I believe that we had not been valued before for over 25 years.

27,051. Then there was an interval of 25 years before 1896?—I should think so, as near as I can tell.

27,052. Would you tell me what was the result of the re-valuation?—I would premise by making this statement, that in the year 1890 the Great Northern was made up of the amalgamation of various railways. However, taking the whole thing together prior to 1896, the valuation was £3,500, and the new valuation was £5,021, which is a very large increase.

27,053. It was a very large increase, and would seem to point to the necessity of a rather more frequent

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Railways companies should have certain exemptions in the case of certain rates.

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Re-valuation of the Great Northern Railway in 1896.

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valuation, would it not?—Probably so; it may be partly owing to the very long time that elapsed between them.

27,064. It must have been a great loss to the ratepayers for those 25 years?—I do not doubt that during that time the value of the property improved very much; and I may say this also, that within that period the company had laid out very large sums in improvements and stations, and so forth, all of which very properly came in for valuation.

27,065. Still there was something like a doubling of the valuation?—It was an increase of 75 per cent.

27,066. And your last valuation was in 1896 with that result?—Yes.

27,067. Do you not think, judging from the experience of the result of re-valuing a railway that it is about time that other property was re-valued in the towns?—I do not think that I could speak with any authority on the subject or probably give any opinion of value, but from what I have heard in connection with other surrounding properties, I should think that a great deal of other property is undervalued and that the time has come for its re-valuation. But I have no doubt in many cases that there have been such changes that an increase, probably not as extreme as in our case, but a considerable increase, would result from a re-valuation. I should observe that, although we are strongly favourable to the present system of valuing in Ireland, we think we have been valued somewhat highly, and we are the more convinced of that now when we come to make further comparisons, and also when it comes to our knowledge that we have been valued upon our hereditaments without having this allowance of 25 per cent. which has been given to other properties.

27,068. Do you again value somewhat highly since 1869?—Yes, in 1896.

27,069. You would not think you were valued too highly in 1895, would you?—I would not say we were. I should say there was a reason for some increase.

27,070. And for a number of years previously?—Yes, but I should think the valuation of 1895 was a very high one.

27,071. (Mr. Elliott.) With reference to the suggestion that land which is used for a railway should be valued as if it were, in point of fact, used for agriculture, I do not gather that you, as representing the railway companies of Ireland, ask that that principle should be adopted?—No, we do not put forward that as a request.

27,072. Do you think it would be equitable that land which is in point of fact, used, and is capable of use for a more valuable purpose than agriculture should be valued as if it were only used for agricultural purposes?—I say, that starting de novo, I think that a great deal might be said in favour of dealing with that land in relationship to that which adjoins it, and dealing with the buildings separately; but, as it has been valued now for so many years in another sense, we did not consider that we could, with any hope of success, put forward an application of that nature.

27,073. Do you think that the ability of the occupier of lands should be taken into account in estimating his contribution to local taxation?—The ability of the occupier is taken into account in our case, as we are taxed upon profits.

27,074. You are nothing inequitable in that?—No, I think it has a right to be considered.

27,075. (Mr. Dalton.) What is the valuation of your railway as a whole?—The present valuation is 165,021.

27,076. What is the capital of your company?—It is over 7,000,000. I am not able to give you the exact figure. But I should observe this, that that does not represent the expenditure on the railway. As I mentioned just now, the line is made up of a series of amalgamations, and a great many of those companies on coming in were taken over at a large discount, in some cases the stock being taken at a reduction of as much as 75 per cent. So that that sum does not at all represent the original capital outlay.

27,077. Are your shares in the market above or below par?—They are above par.

27,078. Then, if you have 7,000,000 nominal capital and your shares are above par, the undertaking may probably be taken to be worth the 7,000,000?—I worked it out the other day that our earnings upon the capital equity are a little over 4 per cent.

27,079. Those are your earnings or your profits?—Those are the profits.

27,080. The net profits?—Yes, on the real capital only, but on the nominal capital, as so termed, or the book capital, it is 6½ per cent.

27,081. Six-and-a-half per cent. on what?—On the capital as it appears in our books to-day.

27,082. How do you make out that you are over-assessed? You are assessed at about 2 per cent. on what you consider the capital value of your undertaking, or at a little over 2 per cent., but considerably under 2½ per cent. I suppose the owners or occupiers of other valuable properties would be very well satisfied to see them rated at that percentage?—That would not be taken rashly.

27,083. I am not going into details, but I am speaking of the net result of the whole business. Do you think you should be rated at 1 per cent.?—We do not think that the capital only is the criterion for assessment.

27,084. I am speaking of the value at the present moment; judged by the fact that the shares of the railway stand above par, and that the nominal value is 7,000,000, may we take it that the capital value of the company in the market is at least 7,000,000?—Yes.

27,085. If that is the real capital value, why should the annual value taken, when it is taken at less than 2½ per cent. of it, be too high. That in what it comes to; you assessed on the annual value of your undertaking; you say that the annual value, when it is not so high as 2½ per cent. but is rather over 2 per cent. upon the capital value, is too high a valuation, now, what do you think would be a fair valuation on the capital value?—I conceive you must take the valuation upon its net annual value and subject to the same consideration that is given to all other properties and not on capital.

27,086. Do you think other properties get off at 2 per cent. on their capital value?—Yes, I should say so, I think you find other properties, compared with railways, do not pay anything like as much of that.

27,087. As to the manner in which this 165,000 valuation is got at, I am not quite sure that I understand from what sum these allowances on tenant's capital are deducted; do you first get your net profits and then deduct them, or do you first get your gross profits and then deduct them?—You get your net sum first.

27,088. You get your net profit first?—Yes.

27,089. And you then deduct from it 1½ per cent.?—Yes, on the capital which a tenant working that railway would have to provide.

27,090. On the 7,000,000, I suppose?—No.

27,091. On the tenant's capital?—On the tenant's capital only, that is the rolling stock, and such like.

27,092. What is the tenant's capital in your company, do you remember?—It is taken at about 1,085,000, I believe.

27,093. Is this 1½ per cent. a statutory deduction, or is it one that is allowed by the Government valuer?—It is allowed by the Government valuer in the case of Ireland. I believe it is the usual amount allowed in England, and in Scotland, I believe, the deduction allowed is greater.

27,094. He takes it in a lump for all railways?—Yes, it is the same practically over all lines; I think it is on the same basis all over; it seems to have been accepted generally as being the proper amount up to now.

27,095. It is not split up so as to show what is allowed for interest and what for profits, depreciation, risks, and so forth, is it?—No, it is not divided.

27,096. It is not divided at all?—No.

27,097. Is the same percentage allowed for a private undertaking and a safe undertaking, and one that is very risky?—I think so; whenever the re-valuations have been made of late I believe the same deduction is allowed.

27,098. Is it not wrong to allow the same amount for risk for an undertaking which can be carried on at very little risk as for an undertaking that is of a highly speculative character?—I should say, as a principle for all railways, it would be right to make it alike, because if a tenant worked a line in a different way by not

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 laying out sufficient money upon it, he might have more risk, but he should not try to relieve himself in that manner, and another tenant who has worked the line well would have less risk, but he would have a cost to incur in order to free himself from that risk; therefore the two things would balance each other.

27,069. I think one of the reasons that you gave why this 17½ per cent. should be increased to 20 per cent. was that the cost of labour and coal had increased?—Yes, and other materials as well.

27,070. But, as I understand, these are deductions made from your net profit; now, in getting at your net profit, whatever has been charged for labour or for coal has already been deducted, has it not?—That is so.

27,071. Why make another deduction?—Because if an assessment is made, say, in the year 1896 upon a certain state of things and that remains in operation for 10 or 15 years, and in the meantime those charges have increased 30 or 40 per cent., you are that difference to the bad.

27,072. These allowances are not in respect, as I understand, of the cost of labour or the cost of coal, because that has been deducted in getting at your net profit, has it not?—The allowance has to cover risk, and increased cost is one of the risks that the tenant has to incur.

27,073. Still it is deducted from the net profit?—It has been determined when the valuation was made; but then the basis has been altered by an increase in the cost of those things in the meantime.

27,074. This 23½ per cent. that is deducted from other properties is deducted as you say from their net annual value?—Yes; that is the evidence given before the Commission by Mr. Barton.

27,075. In a new valuation all round I suppose that would not be done, because there would be no reason then for any deduction from the net annual value?—If all these other properties were valued upon their net annual value without a deduction we should have no cause of complaint.

27,076. Therefore, if you had a new valuation all round on the same system as that, we will say, for England or Scotland you would not have any deduction from the net annual value in the adjoining properties, and that would be to your advantage?—We have, of course, to deal with things as they are at the present. As I understand in any new property, and in any new buildings that are now valued the deduction is made from them before the valuation is fixed.

27,077. Before the net is arrived at?—Yes, before the final valuation is fixed. The full net annual value is first arrived at, and then there is a deduction made of this 23½ per cent.

27,078. They take the deduction from the net annual value, not from the gross?—It is taken from the net, and not from the gross, and therefore that brings them into something like an even state with any other properties round about. No doubt it has the effect of keeping the valuation down generally. What we contend is that so long as that deduction is made we should have the benefit of it in the case of the railways.

27,079. (Mr. *Arthur O'Connor*.) In respect of what is that 23½ per cent. given in other cases?—I think the deduction is for the purpose of evening or making uniform; it is, I suppose, carrying out the principle of

section 30, which says that the valuation shall be uniform and proportionate—I think those are the words; the object is to make any new valuation uniform and proportionate with the existing ones.

27,100. As I understand it, certainly other buildings are valued first in the gross and next in the net, and from the net, if I take you right, the deduction of 23½ per cent. is further made?—Yes.

27,101. That is for the purpose of uniformity?—Yes.

27,102. Therefore it is applied to others but not to you?—Yes, and we say, in order to carry out the principle of uniformity, it should be applied to us along with the rest of the property about us.

27,103. How is uniformity secured if you merely deduct 23½ per cent. all round from everybody; if there was not uniformity before, how does a similar and equal deduction all round alter the relative situation?—As I understand the valuation originally taken upon which all recent ones have been based was Griffith's valuation, which, I suppose, has been shown to have been about that average percentage less than the net annual value of new buildings, and consequently that reduction has been applied for the purpose of making the valuations of new properties uniform with the old.

27,104. Comparing what area with what area?—I believe that deduction is made all over the country with all hereditaments.

27,105. Do I understand you that all over the country, being the average valuation, there is a deduction of 23½ per cent. made to secure uniformity?—Though not from the average valuation.

27,106. $\text{Gross value} - 23\frac{1}{2}\%$ all round is a value 23½, is it not?—Yes.

27,107. Any want of uniformity that prevailed in a would be perpetuated in a value 23½, would it not?—Yes.

27,108. If you make a similar and equal deduction all round, how do you alter previous inequalities; if from unequal you take equal you have unequal left?—That is not so, because you start with an equal valuation.

27,109. When what do you want to secure uniformity for if you have got it to begin with?—I beg your pardon—you started with an equal valuation, and in the course of time you have now, erections, new buildings; you come to value these, and in order to do this you arrive at their full net annual value, and that figure is reduced or pared down by an allowance varying in different districts to assimilate it somewhat with Griffith's valuation, in order that they may be uniform with those old ones. I think uniformity is by that means preserved, otherwise it appears to me the valuation of the new hereditaments would be on the average 23½ per cent. higher than the old or adjoining ones.

27,110. Does that obtain all over Ireland?—I gather from Mr. Barton's evidence that that is so, but I do not know of my own knowledge.

27,111. We have been told that the standards of valuation differed in different parts of Ireland, and that it was higher, for instance, in Ulster?—Yes, I believe there is a variation.

27,112. Upon that point you cannot give us any information?—I could not give you any precise information upon that.

The witness withdrew.

Mr. WALTER BARRY called and examined.

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 27,113. (Mr. *Arthur O'Connor*.) I think you have heard the evidence given by Mr. Flann of the Great Northern (Ireland) Railway?—Yes.

27,114. May I take it that, substantially, you agree with it?—Yes, substantially I agree with it.

27,115. Now, can you tell us any point on which you desire to add or qualify?—I agree with all the conclusions of Mr. Flann, although perhaps, I might give other reasons than Mr. Flann has given for coming to those conclusions.

27,116. If you please, it would be of advantage to us?—With regard to the valuation of Irish railways as a whole by a disinterested Government official, perhaps the Commission has already heard as much as they

want to hear on that question; but in reference to a question that you put to Mr. Flann, I should like to say that I do not speak any importance, or very little importance, to the local knowledge of any gentleman who are witnesses with regard to the valuation of a railway. The actual valuation of a railway can be obtained, and is practically so everywhere if necessary, from sources which are open to everybody; of course, from Board of Trade returns, the books being, of course, that of the gross receipts less the expenditure, and less certain deductions. Therefore, local knowledge is not, in my opinion, at all necessary with regard to the valuation of a railway as a whole.

27,117. Would you therefore regard it as a proper principle of valuation in respect of a railway that you

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 not necessary for the purpose of valuing a railway as a whole.

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should consider what its total income is, and what its working expenses are, and deducting one from the other, treat the balance as the basis?—Yes, I think that is the only practical way of arriving at the valuation of properties like railways.

27,118. Do you think that that is a principle which could be extended to other things, as for instance, an ordinary tradesman's business?—No, I do not think so.

27,119. In the case of the ordinary tradesman, you would have regard to the premises occupied by him?—I think so entirely.

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How far
possible to
value
railways on
the basis of
the value
of the
ground
occupied
or by.

27,120. Now, supposing that the land upon which the tradesman's premises are was alone dealt with, and the land upon which the railway premises are was alone dealt with, would not the same principle apply to both equally?—As an academic question I might perhaps agree with it.

27,121. I put it to you merely as a theory—as a principle?—It seems to me that the only objection to it on the score of equity would be that some undertakings are necessarily obliged to employ a large quantity of land for the purpose of carrying on their business, of probably exactly the same extent and value as other businesses of a different nature; therefore, if you value land only, and nothing but land, and take the value of the land as a site only in the position in which it is—I take that to be your question—having regard to the value of the site and the position of the land, and you value that only, I think it necessarily follows that undertakings like railways would be valued inequally as compared with other undertakings of a similar nature, which are not obliged to employ land and do not employ land for the purpose of carrying on their business. That is the only objection I see to it.

27,122. For instance, a shooting property in Shropshire would necessarily be required to extend over thousands of acres, but a very small villa in the City of London would suffice for business purposes there?—Yes, but I would not like to put such a comparison as that.

27,123. Does it not carry out what you yourself have been saying?—Yes, it carries it out.

27,124. But then the land in Shropshire might not be quite so highly valued as the land in the City of London?—No, but I think there are plenty of other cases in which our valuations could be shown.

27,125. There would be intermediate stages of a larger area or smaller area, and higher or lower valuation according to the demand for that particular land?—Yes. A spinning mill, for example, would carry on its business on a comparatively small portion of land, the next 664 may be occupied by a man engaged in practically the same line of business, namely, that of a dealer of linen goods, but he would require a much larger area of land for the purpose of bleaching, and so on. It seems to me that on the principle you have put in the case of the manufacturer engaged in the bleaching of the goods would be valued at, perhaps, 10 times as much as the man engaged in the spinning of the goods on the next piece of land to him. That is where, I think, the valuations would come in, in cases of that sort.

27,126. How about the people who have no land, do you think they might so occupy altogether?—No, I do not think so. I think it is a big question.

27,127. Now, with regard to this deduction of 2½ per cent. mentioned by Mr. Piers, do you agree with him as to what he said with regard to it?—Entirely. I believe it only wastes stating to show its equity. I could give you, if necessary, the deductions made in the various counties and in the various provinces, showing how they vary, but perhaps that is not a matter of very much consequence. The average deduction made from the valuations of new tenements to take them down, as the Commissioner has said, to the valuation of the old tenements valued at the time of the Griffith's valuation in or about the year 1860, is about 23 per cent.

27,128. The old old tenements in the meantime having, in many cases, been greatly out of repair?—Or perhaps greatly improved.

27,129. Perhaps, and perhaps also gone out of repair?—Yes, perhaps.

27,130. As a matter of fact the valuation remains the same, does it not?—Not at all; the valuation can be reduced by appeal.

27,131. It can be, but, as a matter of fact, is it?—As a matter of fact it is.

27,132. As a matter of fact, with regard to the majority of holdings within your own knowledge in Ireland, is it not true to say, in spite of all the enormous of landings through many years, that the valuation remains the same?—No, I think myself that a ratepayer naturally appeals against a valuation which is too high.

27,133. That is a point, I am asking you, of your own knowledge, upon matters within your own personal cognisance?—I have no knowledge within my own personal cognisance in the matter of the valuation of other properties.

27,134. (Mr. Dailly.) Is it your opinion that the railways as a whole in Ireland under the existing system are over-assessed or under-assessed?—The question covers so much ground; some railways have not been valued for several years, but I think the railways that have been valued in the last few years, that is ourselves (the Belfast and Northern Counties), and the Belfast and County Down, and the Great Northern of Ireland, and the Great Southern and Western, are over-valued.

27,135. Then you agree with Mr. Piers that the Great Northern (Ireland) Railway is over-assessed?—I have not looked into the particular statement of the Great Northern Railway, but on the principle on which it is done, I think it is over-assessed, supposing the figures are right.

27,136. Taking the net result as it was given to us, that it is rated at 165,000 a year, whereas its capital is 7,600,000—its capital value would be more than that, because the shares are above par—do you think that it is an excessive valuation?—I do not think that the capital value of a railway has necessarily any relation whatever to the rent that a tenant would pay for it.

27,137. It has no relation to the annual value?—I said as the rent which a tenant would pay for it, which is the basis of the valuation of a railway as of all other properties.

27,138. Do you think that a tenant, seeing that this company is making 6½ per cent on its book capital, would not be willing to give 2 per cent in regard to the valuation?—I think a tenant would arrive at a valuation in the same method as it has been arrived at by the Commissioner of Valuation, namely, according to the rent he could pay, supposing that he would attach more importance to risk and so on, and would make a large allowance in his own mind before he arrived at a sum which he could offer as rent. I think that any tenant coming in to take a railway to-day in Ireland, looking back upon the past few years, and looking forward, of course, to what might be expected, would make a very liberal allowance, first of all for his own safety before he ventured to offer a rent, and, I think, that the 20 per cent. which has been spoken of is a very reasonable allowance.

27,139. Is not the fact that the shares are sold at a certain price in the market a test of what the public regard the annual value of the undertaking to be, they see that it produces 6½ per cent, and they are willing to give above par for the shares, is that not a test?—That seems to me to be the annual value to a tenant and not the annual value to a landlord.

27,140. But they are landlords and tenants?—We must assume a tenant.

27,141. They are both together, are they not?—Of course they are.

27,142. When they buy these shares they are aware that they are not only going to be the owner but also the tenant, and that they will have to pay all that a tenant has to pay, and be under all his obligations; and I suppose, taking all these considerations into account, they think it worth their while to pay something above par—we did not fear what it was—but something above par for this undertaking, the capital of which is nominally 7,000,000?—Yes.

27,143. Do you think that, notwithstanding that fact, 165,000 a year is the fair estimated annual value of the property?—Yes, I think it is rather on the over-side than on the under-side.

27,144. It is on the over-side?—Yes.

27,145. If this 23½ per cent, which is claimed was deducted from it, it would leave it 127,000, and that would make the valuation considerably less than

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ground
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or by.

Mr.
H. Dal
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Railways
valued
on the
basis of
the value
of the
ground
occupied
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2 per cent. on the capital value?—That would be less than the actual value, of course; but that would be done in order to bring it down to other things which are also under-valued—in order, in fact, to make the valuation uniform.

27,144. The right way surely is not to perpetuate that losing down of 2½ per cent., but to do away with it where it exists, is it not?—Granted.

27,145. Do you agree with Mr. Piers that this allowance which it made from the net profits in respect of the tenants' capital is too low, and should be increased?—Yes, I think it is too low, I think it is less than a tenant would fix for himself before he arrived at the sum he could afford to pay as rent.

27,146. You do not regard the price given by the public, when, by buying these shares, become part owners in these undertakings as any criterion of what a tenant would give?—Not the slightest.

27,147. But they are the actual tenants who buy these shares, and the shares are constantly in the market; why do you not consider what the public are willing to give has some reference to it?—The tenant is entitled to and would, of course, get his own profit before he ventured to offer a rent for the property.

27,148. Do you agree that the additional price of coal and labour should be taken into account in this allowance?—Most decidedly.

27,149. After the price of coal and labour has already been deducted in order to get at the net profits I did not understand Mr. Piers to put it in that way; if he did, I do not agree with it.

27,150. How do you look at it?—I look at it that, having regard to the great fluctuations in the price of materials and coal in the last few years, a tenant looking to the future would have that in mind, and would make the largest possible allowance for it in his own mind before he ventured to offer a rent.

27,151. Can you say whether the dividends of the Great Northern (Ireland) Railway have been falling much of late years?—I think it is the contrary, they have shown a pretty satisfactory increase if you look back for a few years; I do not know about the last year or two, I think it has been pretty uniform this last year or two.

27,152. Then where does your risk come in to a tenant looking to the future when what he sees is that the dividend is rising not falling?—As I said before, I see no relation whatever between the dividend paid by an Irish or any other railway and its net annual value for rating purposes.

27,153. You do not think the dividend has any bearing whatever upon the question what a tenant would give for the railway if the railway was put up to be let, you do not think that a person who was going to take that railway would look to see what the dividend was, or that he had would be in any way affected by the dividend?—No, because that 6½ per cent. is not on the tenant's capital but on the landlord's and tenant's capital combined; the variations between them might be very great in one case and very small in another.

27,154. I am not speaking at the present moment of the tenant's capital, I am speaking of the amount which is taken as the assessment of the railway undertaking as a whole, which, I understand, is arrived at by the amount which it is supposed that a tenant would give if he was allowed to lease the railway; I say, in such a case as that, do you not think that a hypothetical tenant intending to take the railway would look and see whether it had been making a profit or not of late years, and whether the profit had been large or small, and that he would be, to a certain extent, influenced by those considerations?—No; I think he would look at the gross and the net receipts, and he would expect to get on that a reasonable return, not only for the interest on it but for his services, with a profit, and also he would expect to make a reasonable allowance for all contingencies that might arise in the future, and then he would fix a rent. I think that is the way that any reasonable man, in offering a rent for a railway, would arrive at the rent he could afford to pay.

27,155. (Mr. Clive.) With regard to this extra deduction which both you and Mr. Piers suggest as I understand it, is it this. In 1896 the railway com-

panies were valued. At that date coal and wages were at a certain figure; since then coal and wages have gone up; therefore, if you had a fresh valuation at the present day the amount that would be deducted from the gross in respect of working expenses would be greater than was allowed in 1896?—No, that is not my view. My view is, that looking at the fluctuations of the last few years, a tenant coming in to-day would take into consideration, very liberally from his own point of view, what the fluctuations might be in the future, and he would allow a large percentage.

27,156. But, pardon me, the theory of the hypothetical tenant is that he takes it to-day for what it is worth to occupy as an ordinary annual tenant?—It is so.

27,157. Therefore he has not to look forward to taking it on a lease for 15 or 20 years, or anything of that kind; he simply has to look at what the thing is worth to him to take to-day as it stands, therefore, if when your present valuation was made three or four years ago the amount that was deducted in respect of working expenses is not so great as the actual working expenses come to now, it shows that you want a fresh valuation?—No, I do not agree.

27,158. Then you are quite satisfied that your valuation still remains the same notwithstanding your working expenses have increased?—Are you speaking now of the Great Northern, because I am not prepared to say whether they are satisfied?

27,159. I am speaking of railways generally?—If we got what we consider to be proper allowances in respect of the risk we run, we should be prepared to let the valuation stand.

27,160. It is not then in respect of your actual working expenses that you want the deduction, but in respect of some hypothetical risk which may or may not come off?—Yes, that is the view I hold very strongly.

27,161. Therefore it is on the assumption that the hypothetical tenant is going to be a long leaseholder that you base that claim and not upon the assumption that he is the hypothetical tenant as described in the Assessment Act?—I am quite aware how he is described in the Assessment Act, but I am also aware that it has been laid down in the courts, as I have said, that although he is to be a tenant from year to year, his tenancy is to be looked upon as being continuous, because no tenant would offer a rent for a year, and therefore there would be no valuable value.

27,162. No, but the assumption is that it may be continuous at the same time?—You are to hear it in mind.

27,163. And the assumption is that the valuation may be every year?—It may be, and there is no reason why it should not be, may I add, as it is in Scotland.

27,164. Mr. Arthur O'Connor put to you some questions comparing the valuation of land occupied by railways with the valuation of land occupied by a shop. Now, in regard to that land occupied by a house or a shop, it is easy enough, is it not, to ascertain the rateable value, because it has, so to speak, a market value which any valuer can gauge?—Quite so.

27,165. If A cannot occupy it B will probably do so?—Quite so.

27,166. There are plenty of people to occupy the house or the shop if it is empty, and, therefore, there is a sort of market value which can be easily known?—Which is fixed by the bidding of the market so a matter of fact.

27,167. But if you have a piece of land occupied by a railway which is, in effect, a monopoly of that particular railway, the difficulty is that there is no market for a railway?—It may be a monopoly for running purposes only.

27,168. Quite so, that is what I mean; I am leaving out the buildings?—Leaving out stations?

27,169. I am leaving out the buildings, do you agree with me that it is practically a monopoly?—It is in many cases a monopoly, but, of course, in many cases it is not a monopoly, for instance, where there are two railways serving the same town.

27,170. I am not speaking of that; what I mean is that that piece of land can only be occupied by a railway company?—Quite so.

27,171. And in effect the railway company who have it in possession is really the only one that can get it

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excepting these is some amalgamation scheme?—
Quite so.

27,176. Therefore there is no market value to guide
you as to what the assessment ought to be?—That
is so.

27,175. The custom has been, has it not, with valuers,
in order to get at the rent which the hypothetical
tenant would pay, to take the gross receipts, from that
to make certain deductions for working expenses and
outgoings, including rates and taxes, then you arrive
at what you call the gross estimated rental, and from
that you deduct the interest on tenant's capital and
the claimant's outgoings, and then you arrive at the
valuation?—Yes, that is so.

27,176. That has been the custom?—That is the
custom.

27,177. The result is that well managed railways
which pay a good dividend are, so to speak, taxed
upon their good management, as against railways
which are badly managed and pay a small dividend?—
That is so.

27,178. In effect that is a direct taxation of trade
profit?—That is so, of course.

27,179. Now, I see that although that has been the
custom which has grown up under the Assessment Acts
for the valuation of railways, and the same is applied
also to gas companies and to waterworks, and such like
things?—The principle itself is suggested by the
Poor Relief Act of 1839 for Ireland. There is a
responsibility in that Act east upon railway companies
and other undertakings of a similar nature to keep an
account of their receipts and expenditure, and, although
it does not say how the valuation is to be arrived at
when you have arrived at these figures, it does compel
them to keep them accurate and to open them to the
inspection of the authorities.

27,180. Although that is the system adopted by
valuers with regard to railways and other com-
panies, such as waterworks, gasworks, and so on, I
see that you agree that a much more simple method of
arriving at the reasonable value might be adopted,
namely, by ascertaining the true capital value, and
taking upon that 3 per cent. to represent the annual
value?—No, I have made no suggestion of that kind.

27,181. It is in your memorandum,* it is not. Look
at paragraphs 5 and 6?—That is my suggestion for the
valuation of stations only.

27,182. As regards the valuation of stations, then,
you suggest it should be 3 per cent. upon the capital
value?—Yes; there it is a mere question of the
allocation of the total value, of course.

27,183. Then from the total valuation of the whole of
the railway you would deduct 3 per cent. on the cost
of the stations, leaving the remainder to be assignable
to the line?—Yes, that is the principle now, excepting
that the Commissioner of Valuation deducts 4 per
cent., and I suggest 3 per cent.

The Witness withdrew.

Mr. JOHN GEORGE BARTON, C.B.,

27,194 (Mr. Arthur O'Connor.) We have had the
advantage of your evidence before; you are aware that
since you appeared there has been other evidence taken,
in different parts of which objection has been raised
to certain principles or practices of the Valuation
Department, I do not know whether you were here
yesterday?—I was.

27,195. All the time?—Not all the time, but part of
the time.

27,196. There was a witness here from Derry,
Mr. O'Doherty, who raised certain points with regard
to the valuation, and who told us that certain interests
were overlooked; as far as I remember, they were bog
rents, bog acres, game rents, and, I think, one or two
other slight matters which I cannot at present call to
mind. Now, what have you to say about that evidence?—
As regards bog rents, they are valued; as regards
bog ore, it is not valued, except as bog. I do not
think as well as I remember, that any case has been
brought before me in which either a ratepayer or the
local authority has asked for a valuation of bog ore.

27,197. I suppose it is true to say that, in certain
districts of Ireland, the people do pick up iron pyrites
on the bog?—Certainly.

27,184. Would it not be, do you not think, a very
simple method of valuation, generally, to take the total
capital cost of the railway, I will not say necessarily
the cost, but what may now be taken as the capital
value of the railway after allowing for capital that has
been wasted and spent twice over; and then to take a
simple 4 per cent. upon that as being the rateable
value?—My own opinion is that it would be per-
fectly impossible to arrive at the real capital value
of a railway. Its cost has been added to so much by
interest that it does not really add to its capital value it
seems to me; there are all the parliamentary expenses,
for example.

27,185. (Mr. Arthur O'Connor.) And heavy railway
accidents?—Yes, I think it is an impracticable way of
arriving at it.

27,186. (Mr. Smith.) How is it that certain railways
which have been recently valued in Ireland were over-
valued; do you mean over-valued on the basis of what
the hypothetical tenant would give for them, or over-
valued in comparison with other property in Ireland?—
I meant over-valued in regard to what a tenant to-day
would give for them.

27,187. Then you have no complaint of the valuation
of other property in Ireland?—Yes, that question was
raised with me first of all, I think, in dealing with the
deduction of 2½ per cent. from other properties than
railways.

27,188. In point of fact there is no valuation of old
property in Ireland except Griffith's valuation, is there?—
So I understood.

27,189. And when you value new property or altered
property you, to use your own expression, come it down
to Griffith's valuation?—The Commissioner of Valuation
does.

27,190. What is the principle?—Yes that is the
principle.

27,191. Does it not seem to you that it would be
rather fatter to level it up to a real valuation based
upon modern rents?—Yes, I would have no objection
whatever to that. We wish to be valued fairly, as
compared with other properties—nothing more than
that.

27,192. (Mr. Arthur O'Connor.) Assume you have
within an urban area a piece of land represented by,
say, a chess board, each of the squares representing a
separate lot, and that of three lots the first is held
by a baker and the third by a butcher, and the middle
one is empty, but you have the valuation of the first
to be 50L and of the third to be 50L, would you ever have
any difficulty in arriving at a conclusion that 50L was
the value of the intermediate one?—None whatever.

27,193. Now, supposing that you knew the value of
land in the country to be 5s. an acre on one side of a
railway line and 5s. an acre on the other side of a
railway line, would you have any difficulty in arriving at
a conclusion that the fair valuation of the land occupied
by the railway would be at the rate of 5s. an acre?—
None whatever, as land.

The Witness withdrew.

recalled, and further examined?

27,198 They make collections of it which are carried
away, and when put into ships it appears to bulk rather
largely?—There is a certain amount of it, but it is a
small industry. It is used as a dye as well as for other
purposes.

27,199 Is there any rating of the interest which
that represents?—As far as I know, there is not.

27,200 Is there any rating of game rents?—Only
fishing, not shooting.

27,201 Supposing that bog cutting is appertinent
to a holding, and is included in the rent paid by the
tenant, is that bog cutting valued with the holding, or
is it valued separately?—The first case in which that
point has ever come before me occurred the other day.
Up to the present the bog rents have always been rated
to the landlord.

27,202. Do you mean as a separate thing?—As a
separate consideration.

27,203. Not as appertinent to the holdings of the
tenant?—As a separate thing. The other day an
application was made to me to put a value on a certain
bog which had been divided among the occupiers under
agreements made by the Land Commission, and judicial
rents fixed—

* See p. 132.

† For previous examinations, see Vol. 2 of Minutes of
Evidence C.—4261—1463.

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Valuation
&c.

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27,204. Excuse me, in order that I may understand; did that exhaust the whole bog or the interest of the landlord, did it take it in its entirety?—It exhausted all the portions that was being cut—that was being used as turf. In that case I divided up the valuation amongst the several tenants, according to what I thought was the increased value of their holdings due to the cutting of that bog. It was a very trifling matter, but that was the principle I adopted.

27,205. Let me understand; a tenant under four rent fixed by the Land Commission has the cutting of a bog in his neighbourhood as appurtenant to his holding; is that the case?—Yes.

27,206. His holdings, of itself, assessed and valued?—It is.

27,207. Under the tenement valuation?—Yes.

27,208. Appurtenant to it is what would be called in England the rights of turbary?—Yes, and that is what we call it in Ireland.

27,209. That may be in respect of a bog one, two, three, or four miles away?—Yes.

27,210. Now, is the tenement valuation made so as to comprehend the right of turbary, or is it exclusive of it?—Do you mean the new tenement valuation I have made, or the old tenement valuation?

27,211. I mean, when a rent is fixed by the land court for a holding for a tenant, to which is appurtenant a right of turbary or bog cutting on a certain bog two or three miles away, belonging to the landlord, is the valuation of the tenement inclusive or exclusive of the turbary?—The valuation of the tenement, as it now stands, where the right of turbary has been fixed as belonging to the tenant, has been added to the valuation of the holding.

27,212. Then it is inclusive of the turbary?—Now, in the case I named.

27,213. If the valuation of the turbary is included in the tenement valuation of the tenant, and you afterwards assess the landlord in respect of that turbary, do you not include it twice?—Certainly.

27,214. Now, on what principle can you defend the inclusion twice over of the same property in separate valuations?—But I do not; I think you have mistaken me.

27,215. You think it is wrong?—Certainly.

27,216. It ought not to be included?—Certainly.

27,217. Are there many cases in Ireland in which there is such double assessment?—I do not know of any. I am afraid I did not make myself clear.

27,218. I am afraid not; I do not think we are at all as all?—I said that in a certain case which arose before me for the first time the other day, where turbary had been assessed to the landlord, and where the landlord had received a certain sum each year from his tenants for that turbary, that he had lost that rent entirely from the tenants, and the turbary was divided amongst the occupants in a certain proportion to each holding, in that case I took the valuation from the landlord and divided it amongst the occupants.

27,219. Yes, but you divided it as among the occupants in respect of the turbary treated separately?—Treated separately originally, but not treated separately now.

27,220. Supposing in area A there are a number of small holdings as to which a fair rent has been fixed, that appurtenant to each of these holdings is a right of turbary or of cutting bog in area B, then the tenement valuation, as ascertained on the basis of the rent or otherwise, will be in respect of each particular tenement in area A, but it will be inclusive of the value of the common rights of turbary?—Yes.

27,221. When you come to area B, you find certain rights of turbary which have already been included in the estimate made of the valuations of the tenements in area A?—Yes.

27,222. You proceed to value and to assess; do I understand you to say that instead of imputing the liability attaching to that valuation to the landlord, you impute it to the several tenants or tenants in area A?—No. If the tenants had the right of cutting turbary before in a certain plot of ground B, and the valuation of their tenements in plot A included the right of cutting turbary in plot B, I should make no change in their valuation; but where, as plot B, the turbary belonged to the landlord, and there was no

right of cutting it, but he charged his tenants so much a year, each of them, for the enjoyment of cutting a certain part of it, then, when his rights in B ceased, and they were handed over to the tenants in A, I transferred the valuation from B to A.

27,223. But would that not already have been included in the valuation of the tenements in area A as appurtenant to the holdings?—Not in my opinion; if it had I seriously should not have transferred the valuation. I made myself certain that it did not—that the tenant had no right at the time, but that he had to pay a certain sum for the cutting of a certain part of the bog each year.

27,224. I suppose you know that in respect of cutting bog a great variety of practice obtains?—Yes.

27,225. The landlord may sometimes charge a penny for a ticket just to preserve his rights and title?—Yes.

27,226. In other cases he will charge 6s. a perch?—Yes.

27,227. Or at any rate a very substantial sum for cutting?—Yes.

27,228. In these different cases the Land Commission assessors have in respect of individual holdings decided that a holding must be considered as having appurtenant to it a right of cutting on a certain bog which may be new, or which may be a long way off?—Yes.

27,229. Now, what I want to know is, whether you make the assessment in respect of the bog separately or whether you make it in respect of area A where the tenants live as distinguished between their different holdings?—We never value turbary separately, except where the landlord receives a sum of money for that bog from either his tenants or others, and then we value that on the amount he receives, less the expenses he incurs in receiving it.

27,230. Is it within your knowledge that certain bogs let out, say, at 6s. a perch are worth, we have been told, 25s., and the witnesses also told me know of places where even sometimes 100s. a year per acre could easily be got?—I am not aware of any such case.

27,231. In a single year, at any rate, he said that an advantage of 50c. might be obtained by the landlord by the cutting at 6s. a perch?—It is possible.

27,232. In the King's County and in the Queen's County where the bog is 40 feet deep, I suppose there would be no difficulty at all?—I should say not, in single or double. Of course, there are a great many elements as you know, that estimate the value of a bog.

27,233. Do you assess or value that?—Certainly.

27,234. Is there a valuation of the whole of the bog of Allen?—No.

27,235. Does your valuation of the separate ownership or occupancy of parcels of the bog at Allen cover the whole of it?—The greater part of the bogs in Ireland that are not used for turbary are merely valued at a nominal value.

27,236. Let me take the case of the cutting of bog in county Kildare belonging to the bog of Allen where some years ago attempts were made to start the industry of bog litter?—Yes, at Monasterevan.

27,237. Near Monasterevan; there the bog is very deep?—Yes.

27,238. The surface was used to make litter, much of which was now imported into this country from Germany, displacing the Irish article, underneath that litter there was a great deal of good black bog, and a good deal of it was cut; do you know whether that was valued or not?—I do not recollect whether that peat moss litter was ever valued.

27,239. I am speaking of the cutting of the bog?—Underneath it.

27,240. On the same bog?—I could not tell you actually whether it was or not. If there was a profit made out of the cutting, I am pretty sure that the rate collectors would have put it on their lists, and it would have come before me, and if so I should certainly have valued it.

27,241. Would they have had an interest in putting it on their lists?—Yes.

27,242. But you cannot say whether or not it was valued?—No, but I could easily find out for you.

27,243. It has been suggested to us that in respect of a large portion of bog in Ireland there is not that

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valuation which might be made to represent the full valuation to the landlord of the interest which he has in the bog?—If there is not it is the fault of the rate collector for not bringing it forward; but it is a question I could not give an opinion upon.

27,344 I am bound to say the witness said that he did not make it by way of complaint, but merely in the hope that his evidence might bring to the mind of the Commissioner of Valuation the fact that there were interests which were not included?—I am sure there are many interests that are not valued in Ireland that ought to be valued.

27,345 Could you tell us any other besides those we have enumerated?—I think shooting rights ought to be valued in Ireland.

27,346 That is what we call game rents; do you know anything about brick clay?—Yes, brick clay once it is utilized is valued immediately; but, of course, brick clay that is not utilized is not valued.

27,347. Can a person by failing to utilize what he has in his possession escape valuation?—as that is a principle?—I think that is the principle as far as that goes.

27,348. Is it a principle which, from your administrative point of view, commends itself to you?—It is a very big question; of course there you will have the economic question coming in.

27,349. I will not press it if you desire?—It is rather a big question.

27,350. Among other witnesses, the evidence of whom has been submitted to you, you probably have noticed sundry points as to which, perhaps, it would be only fair to your own department that you should have an opportunity of saying something in reply; I do not know whether you bear any such points in mind; if you do we should be very glad to hear what you have got to say about them. First of all, with regard to the re-valuation, what do you say about that?—I think in the first place that a re-valuation in Ireland is necessary.

27,351. Why do you think it is necessary; tell us shortly, just under a few heads?—The valuation of Ireland was made 40 years ago.

27,352. Is it old?—Yes.

27,353. Is it out of date?—Yes. The provisions made for revising it annually are not sufficient to keep it up to date. In the first place, there is no provision for the re-valuing of land; land is nearly two-thirds of the value of the whole of Ireland, being nine millions out of about 15 millions.

27,354. The other six millions representing the production of industries, may we say?—The other six millions represent houses and other rateable property.

27,355. All the creation of man?—Yes, or developed by man. That property has not been revised in such a way as to bring the present valuation up to an equitable valuation in the towns.

27,356. The towns being the creation of nature?—I will not define exactly whose creation they are.

27,357. Do you mean by the valuation of the towns the valuation of that portion of the town which is made by man, or of the ground on which the towns are situated?—Both.

27,358. That is to say, you think that the site value is now represented by too low a figure in your valuation?—In some places too low, perhaps, and in some places a little too high, but generally too low.

27,359. And that the structures of brick and mortar, though remaining the same, ought now, as brick and mortar, to be valued higher than they were when they were new?—No, I do not say that.

27,360. What do you mean with regard to that which is the production of human industry?—A very large number of houses have been built within the last, say, 15 or 20 years, and it has been necessary, in order to keep the valuation of the new houses, to some extent, relative to the valuation of the old, to make certain deductions. The deduction has been spoken of by one or two witnesses as 25 per cent. I should like to say that it is not exactly fair to put it in one sum like that; we make a deduction according to what we consider the deduction ought to be in each district.

27,361. The deduction varying in different districts?—Yes, it varies from 5 per cent. up to 32 per cent. That deduction, to make it correspond relatively, is

only based on what we consider the whole valuation of the town is below what is the true rateable value according to the Valuation Act.

27,362. Where you deduct 33 per cent. from an individual tenement, your view must be that the total of the town is 50 per cent. below its valuation?—Yes, that would be so.

27,363. Are there many such cases in Ireland?—There are a few in the south of Ireland.

27,364. In those cases, would you say whether any, and, if so, what proportion attaches to the increase in the site value?—I could not answer that question offhand.

27,365. I suppose, once a house is built, as far as the thing goes as a structure, time will run against it rather than in its favour?—Yes.

27,366. So that any increase of the value of a certain hereditament including a house will attach to the site value as time goes on rather than to the structural value?—That would be so.

27,367. Are you speaking of such a town as Tralee?—Tralee is a town that is very low valued.

27,368. I suppose that many of the houses in Tralee have been built a good many years?—Yes.

27,369. It is one of the few towns in Ireland holding its own?—Yes.

27,370. As between the site and the structure, as time goes on, if the valuation rates, it is the site rather than represents enhanced value than the building against which time is running?—Yes.

27,371. Therefore, in the case of towns where the total valuation is rising, we may say, at any rate, assume that the site value is certainly rising?—I should say so.

27,372. It may or may not be the case that, viewed separately as structure, the buildings are increasing in value as buildings?—It does not follow.

27,373. But with regard to the site it is clear that if the town, as a whole, is increasing in value, the value of the site must be increasing?—Yes.

27,374. Would you go further, and say that where there is increase of valuation, speaking generally, there must be an increase of valuation of site?—I should think, taking it as a general principle, that may be taken to be the case.

27,375. Now I wish to ask you with regard to the valuation of the towns in Ireland generally. First of all, do you know anything about the tenure of land in the towns of Ireland?—Yes.

27,376. In Belfast, I believe, a good many years ago, a certain owner—the Marquis of Downpatrick—gave long leases?—Yes.

27,377. Where those long leases were given, industry and capital were sold?—Yes.

27,378. Where those long leases were given, capital was sunk, industry was started, and a thriving community has resulted; is that not so?—It is an element, certainly.

27,379. At any rate, the fact is that where those long leases were granted there you have a community which, compared with the rest of Ireland, is very thriving?—Certainly.

27,380. Now, let us take another town, any town you like; take Maryborough, in Queen's County, or Philipstown, in King's County, or Yethard, in Tipperary, or any town that you like, from one end of Ireland to the other, where that system of long leases has not been adopted, suppose we take the town of Maryborough, probably a small town of about 2,000 or 3,000 population?—Yes.

27,381. Is it not a fact that most of the houses in that town are held from year to year?—I am not quite sure about that, it may be so.

27,382. At any rate, on very slight and short holdings?—I am not sure, exactly, as to how the houses are held in Maryborough.

27,383. Do you know, in regard to any town in Ireland, the conditions upon which the houses are held?—Yes, take the town of Dundalk.

27,384. Very well, I know nothing about Dundalk; what are the holdings in Dundalk?—There are some of them on short leases and some of them on fairly

Mr. J. G. Morris, C.B.
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It seems which is necessary to value the value of the site is a serious

Belief that of land—by the town of the town

Team-System of tenancy in certain towns in Ireland

long leases; the new buildings in the last few years have all been put up on fairly long leases.

27,285. I suppose the longer the lease the better the building?—Certainly, in the last few years that is so; in fact, I do not think people would build on a short lease now.

27,286. Naturally so?—Naturally not.

27,287. Unless they cannot get a long one, and then they would be obliged to?—That is so.

27,288. Is it not a fact that in a very large number indeed, in an overwhelming majority of the towns in Ireland, no such thing as a long lease can be obtained?—I should not like to say that.

27,289. Do you know any town in Ireland, apart from Dundalk, in which any person intending to build can secure a long lease?—Yes, I do.

27,290. Where?—I think in most of the suburbs of Dublin. Take the township of Dublin, I think you can always get long leases there.

27,291. I am excepting the metropolis?—I think in a great many of the towns I know in the north of Ireland. I should say at Portadown, for instance, you can always get long leases; I knew a good deal of building that has been done there on long leases; and at Lurgan, I think, they can always get fairly long leases.

27,292. What do you call fairly long leases; 21 years?—100 years I call a fairly long lease.

27,293. Do you tell us that in Lurgan and Portadown leases are to be had by anybody for over 100 years?—I think so. You will certainly get a lease for 99 years in Portadown. I have known buildings built on that length of lease there.

27,294. Do you think that represents the ordinary condition of affairs in Ireland?—Not in all towns, certainly.

27,295. Not in a town such as Maryborough, where the houses are held from year to year, and the tenant has, at his risk, to build his house, spending perhaps hundreds of pounds on it; there the valuation would represent, I suppose, rather the interest of the tenant than the interest of the landlord, that is to say, the house would represent by far the greater portion of the value of the thing valued?—I should say in Maryborough it would.

27,296. At the end of the term, either by refusal to renew or by gradual rising of the rent, the house will inure to the landlord on whose ground it is built?—Yes, if the man builds without a lease, or if there was a short lease it would, of course.

27,297. What is the proportion between the site value of the town?—I do not know whether you could give it to us—and the structural value?—I could not give you that.

27,298. You make a distinction, do you not, in the country, I think, for the land, you value according to the price?—The land is valued separately.

27,299. According to a scale of prices in theory?—Yes.

27,300. The buildings are separately valued too?—Yes, the buildings are separately valued.

27,301. Have you any such separation with regard to the urban districts?—Only to a very limited extent.

27,302. What is the limit of that extent?—It extends to this, with any new valuations that I have made, and when I say "I have made," I mean made in the department alone I have become Commissioner of Valuation. I have generally had the ground rent taken out as an element in the valuation. But before that time, and in the old valuation of Sir Richard Griffith, I do not think such a thing was done. Therefore it is only in the few cases, comparatively, that I have dealt with, perhaps 250,000 or 300,000, in which a separation could be made.

27,303. Dealing only with those cases which you yourself have been concerned with during the last 13 years, can you give us any figures showing the relative proportion of the site value to the structural value?—No, I could not give you any totals.

27,304. You have not compiled that?—No.

27,305. This has, perhaps, been a little dissatisfactory. You give us certain reasons in your memorandum of evidence? why it is not desirable that there should be any transfer of valuation work from a central authority like your own to the local authority. The first has

regard to the feeling which exists between landlords and the owners of land in Ireland, no valuation you say will command itself to both classes interested. Do you think that way valuation is likely to command itself to two opposing classes?—I think that a valuation made by an authority which is not in any way in touch with either one or the other is more likely to do so. I think it has done in the past.

27,306. In the old times, I mean in Griffith's time, was not the valuation based, to a very large extent, upon what was ascertained to be the rental paid?—That is a very vexed question.

27,307. To a certain extent, at any rate?—I dare say it formed an element in some parts of Ireland.

27,308. I suppose the valuation was concerned with the entire holding irrespective of the production of the tenants?—It was made on a scale of prices.

27,309. Yes, but irrespective of the relations between landlord and tenant, as to who made the improvements for instance, it was not concerned with that?—I should say so.

27,310. And the valuation, therefore, included the improvements of the tenant?—That is the general view.

27,311. But, theoretically, I suppose the rent would not include those?—The rent does not, theoretically.

27,312. Therefore the rent does not cover as much ground, or does not cover all that valuation as theory does?—No.

27,313. Therefore, *poted facts*, in theory, at least, the rent in Ireland ought not to amount to as much as the valuation?—Yes, that is so, in theory.

27,314. Then you say the principal owners of valuable property in Ireland are presumably represented on most of the local bodies; is there any official representation of the owners of valuable property in England?—No, I do not know that there is.

27,315. The third reason you give is because the local authorities have little or no knowledge of valuation and survey work, do you think that an ordinary Queen's County or Donoughmore farmer from the Laggan has not a pretty good notion of what the value of the farms surrounding him is?—I think he would have.

27,316. Would they not be local people?—Yes; but that is only one part of the work.

27,317. Fourthly, you say, because the cost book of re-valuation and revision would be very largely increased, have you not now, under the Land Acts, figures found by the Land Commissioners which are called "gross values"?—Yes.

27,318. Does not that "gross value" represent the value of the property, including both the tenant's and the landlord's interest?—Presumably.

27,319. Is that not precisely what the Statute of Elizabeth contemplates as assessable?—Yes.

27,320. Would not, therefore, the gross values, as found, of different tenements in the office of the Land Commissioners furnish the very basis which the Act of Elizabeth contemplated as the basis of assessment?—If these figures were accepted as correct, they would, for a certain class of property, that is to say, for the property that the Land Commissioners have dealt with

27,321. Quite so, but I am only speaking of that; so far as that property is concerned, you can get from the gross valuation of the Land Commissioners the very thing contemplated by the Statute of Elizabeth?—Yes, but might I explain one point? The Land Commissioners have fixed the gross value in a certain number of their first rank. I dare say you know, as well as I do, that the Land Commissioners, when they commenced their work some 17 years ago, did not set out the gross value, it is only in the last year or two they have done so. They fixed the rents of a large proportion of Ireland, about 300,000 townships I think, and now a second thing is going on, in which there is a further reduction in most cases. The difficulties I am in dealing with their gross value are these: In the first place, that in a large proportion of cases where rents are fixed gross values are not given; second, that some may have two gross values fixed; third, that there are an immense number of cases in Ireland where there are no agreements between the landlord and the tenant, which are registered on judicial register, and in which there is no gross value set out; fourth, that there are a number of cases in Ireland where the tenants

Mr. J. G. Foster, C.B.
30 Nov. '79
Reasons for this view.

Gross valuations of the Land Commissioners. Question whether they could be made the basis for valuation for rating purposes.

Mr J. G. have purchased their holdings, in which there is no means of getting at the gross value and, fifth, that there are a very large number of cases which have never been under the Land Court, and in which no judicial view at all has been fixed. The difficulty that I see is to get an equal valuation for the whole of these on the same basis.

27,322. Now, with regard to the fact that the Land Commissioners have fixed gross values in certain cases and not in respect of the rest, it simply amounts to this, that you have gross values here and there, but not everywhere?—You have a few of them, yes.

27,323. Now, you have told us also that the gross values, as found by the Land Commissioners, have been in some cases reduced; but then, I suppose, that all over England you have had precisely the same thing—there, too, valuation has been reduced, especially in respect to agricultural land?—Yes.

27,324. You would not suppose that any valuation, if it was just, would be like the laws of the Medes and Persians, inalienable?—No.

27,325. A change, therefore, in the gross value, as found by the Land Commissioners, simply indicates the judicial discretion which has been exercised in respect of those particular holdings?—Yes.

27,326. Wherever, therefore, you have had a reconsideration of the gross value, you have had a verification of the value of that very thing which the statute of Elizabeth proposes to have valued?—Yes.

27,327. In how many cases have the Land Commissioners fixed the gross value?—I could not give you the number.

27,328. It will go into tens of thousands?—Yes, I should think it would.

27,329. In tens of thousands of cases all over Ireland—and there are only 30 odd counties in Ireland—there are gross values (which is precisely the thing you want) fixed by the Land Commissioners?—Yes.

27,330. Do you not think that of itself alone—and this has been submitted to us by some witnesses—would furnish a perfectly trustworthy standard immediately available for the purpose of the valuation?—One of the difficulties, as I have pointed out, is the fact that these gross values are being continually reduced. If the thing was completed, and the several term rents were all fixed, and there was to be no further reduction, and we had some first basis to go on, I think it would be very possible to work something out of it.

27,331. Do you look forward to something which you would call finality in valuation?—No.

27,332. Is not the value of property, urban and rural, like the level of the sea, always in movement?—Yes.

27,333. Why should you wait then, for something ultimate and final?—But you must get something definite in regard to land. I do not think land can be valued every year for making purposes, not every five years, perhaps every ten years it might be.

27,334. I am asking you now only in regard to an existing official and authoritative standard of valuation by the Land Commissioners, as to which we have tens of thousands of instances all over the country—it exists?—Yes.

27,335. It has been suggested to us that as far as it is available it is a trustworthy standard of valuation; Mr. Minicogh O'Brien is one who pointed out the existence of these instances?—Yes, I read his evidence.

27,336. You have nothing to urge against it in principle?—I do not think it would be accepted in Ireland by either the owners or the occupiers of property as a fair valuation.

27,337. Do you mean that the owners would think that it was too low, and the occupiers would think that it was too high?—I do not know that they would look at it exactly in that way. I think the owners of houses and other realisable hereditaments other than land, would look upon it as too low.

27,338. It is only concerned with agriculture?—Yes, I know.

27,339. Urban and is totally different?—Yes, but there is a great deal of house property in Ireland that is in rural districts, and that is not urban.

27,340. But with regard to agricultural holdings, do you think that the landlords or the tenants generally would object?—Yes, I think so.

27,341. They would object?—I think so.

27,342. The landlords generally, and the tenants generally in Ireland would object to the findings of the Fair Rent Commission?—I do not know that the tenants generally would. I think some of the tenants would, but I do not know that there would be a general discontent amongst the tenants; amongst the landlords I think there would be.

27,343. Because, as a rule, the rents have been lowered?—I do not think that would be entirely the reason.

27,344. But, as a matter of fact, have the rents been lowered?—Certainly.

27,345. Therefore, the tenants are better pleased than the landlords?—Naturally.

27,346. Now you also say that the valuation of the property of railways, canals, &c., which run through a number of shiring areas would be much more effectively and cheaply dealt with by a central authority than by several independent local authorities, probably we should agree with that. With regard to the railways, I suppose you consider that the train mileage rate is the fairest that can be adopted as a basis for the assessment of railways?—I do.

27,347. And that could only be effectively dealt with by a central authority?—I think so.

27,348. The central authority is, as, at any rate, between different areas, perfectly impartial?—Yes.

27,349. A general question: assuming that for certain local purposes certain areas have each year to be taxed, and you have to value the localities and parcels for the purpose of such raising for local needs, do you think you would have any difficulty in valuing the land of Ireland, as land, apart from what has been put there in the shape of buildings and improvements if you were called upon to do it?—I should have great difficulty.

27,350. You would have great difficulty?—I would have great difficulty in doing it in such a way as to command general satisfaction.

27,351. That is another question—the story of the old man and his ox is very old. I mean, do you think that you could—and you could only approximate in three things—make such a valuation of the land of Ireland as ought to command itself to the mind of any reasonable man; of course we know that in certain cases the matter would be comparatively easy, and in certain cases it might be only possible to make a rough approximation; but given that the work had to be done do you think that you and your staff would have any difficulty in arriving, in a way that ought to satisfy an ordinary reasonable man, at the comparative value of the different parcels of land throughout Ireland, urban and rural?—I should have very great difficulty in getting a staff together who I could feel, with confidence, would do the work in a perfectly equitable manner.

27,352. You might get your staff?—I am thinking of the difficulty of getting a staff together.

27,353. It is the staff that you would mistrust?—The difficulty of getting such a staff.

27,354. To satisfy you?—To satisfy me.

27,355. That they would be equitable?—That they would be perfectly equitable.

27,356. Then, as I say, the objection would be to the staff?—To the difficulty of getting it.

27,357. Given the equitable staff, would there be any difficulty as doing the thing?—If you could get an equitable staff in Ireland who were thoroughly conversant with the conditions of land tenure in Ireland, there would be no difficulty in doing it.

27,358. Given a reasonably equitable staff, there would be no difficulty in arriving at a decision such as would command itself to a reasonable man as to the comparative value of the separate parcels of land in Ireland, apart from the buildings?—Yes; but I see great difficulty in getting the staff.

27,359. Do you, as a matter of fact, entertain any difference with regard to the equity of your existing staff for the purpose of your present employ?—No; my existing staff are not a staff of land valuers as a rule; they are mostly house valuers and valuers of other tenements.

Mr J. G.
Buck,
C.B.
26 Nov '96

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Mr. J. G. Sullivan, U.S. 27,365. But have they not to value land apart from the buildings in the agricultural districts?—No, there is no change in the value of land in Ireland.

27,366. They have to value the buildings apart from the land?—Yes.

27,367. For the purpose of the agricultural grant a distinction is made between the valuation of land as land and the valuation of the improvements in the shape of buildings?—I did not quite catch your question.

27,368. For the purpose of the grant under the Local Government Act in Ireland, the distinction is drawn between the valuation of land in agricultural districts and the valuation of houses in agricultural districts?—Certainly.

27,369. The difference is already in existence, and it is recognised by Act of Parliament?—There is a separate valuation for every house in Ireland.

27,370. So that, as regards the agricultural districts, the distinction already exists?—There is a separate valuation of land and houses.

27,371. Is there anything else that you wish to add or emphasize?—There are one or two points that were touched on by other witnesses which I thought it advisable just to mention. There is the question of Government property in Ireland. I mention in my memorandum that Government property in Ireland is valued in exactly the same way as any other property, at its annual letting value. There was a doubt thrown by one of the witnesses, I think, upon the valuation of Government property in Dublin, as I thought it was not as high as it ought to be. I have mentioned in my memorandum that it was re-valued in 1894 by me, and at the request of the Corporation, the Corporation appointed a valuer of their own to check my work, and they were so thoroughly satisfied with it at the time that they did not appeal.

27,372. But you raised the value?—Very considerably.

27,373. They gained by the re-valuation?—They did.

27,374. They had no reason to be dissatisfied?—They spoke so as if they were dissatisfied still.

27,375. (Mr. Dalton.) You admit, I think, that the re-valuation of Ireland is necessary?—Admirable.

27,376. Who do you propose should pay for it, if it is undertaken by a central authority?—That is a question I should not like to express an opinion upon. I might mention two circumstances which perhaps would bear on the question—first, the old valuation was paid for by the local authorities; second, the valuation of the six cities which is provided for under the Local Government Act, and one of which is already in progress—I am re-valuing Belfast now—paid half by the Treasury and half by the local authority.

27,377. Do you think that the question of the cost, and of the allocation of that cost between the central and the local authorities has been one of the causes which have kept the present valuation so much out of date?—There have been several applications by local authorities for a re-valuation, and I think the difficulty in the past has been, and the difficulty that exists now (except in the case of the six cities, is that under the Irish Valuation Acts there is no machinery provided for paying for a valuation.

27,378. I quite understand that, under the existing law, it is easy to see why a re-valuation has not been made, but my question rather has for its object whether those questions of cost have not prevented amending legislation?—I have no doubt they have had an influencing effect.

27,379. I suppose you have not been allowed to spend exactly what you would require for the valuation without any regard to the cost to the taxpayer?—As far as the work that I can do is concerned—any work in simply revising work each year of all rateable hereditaments except land—the Government and the counties, who both pay towards my office, have paid the sum necessary. There has never been any question about that. We value every case that is brought before us each year, and so long as I remember I have never known a case not valued where a request has been made.

27,380. I think in your former evidence you put the initial cost of the re-valuation of the whole of Ireland at about 250,000?—Yes.

27,381. If it was expended over five years?—Yes.

27,382. Do you see any reason to doubt the sufficiency of that estimate?—No, I think not. My estimate for doing Belfast is 12,000, and it is on that estimate that the valuation is being carried out. I think I will do it for the 12,000. The cost of valuing Ireland, as a whole, is large, because there are such an immense number of very small tenements, and they are scattered especially in the West of Ireland, where a man may have a holding of, say, six or seven acres, and this may be in three or four different parcels, some of which are touching each other.

27,383. (Mr. Arthur O'Connor.) There are very few survivals of that now, I think?—In some of the western counties I think there are cases.

27,384. About Letteran?—Yes, and down in the islands; a good many of the islands along that coast are very much split up in that way. Then I provided in that 250,000, for having every tenement in Ireland correctly shown on one set of maps, which I should propose to send in duplicate to each of the counties. I propose that those maps should be kept up to date every year, and used for all registration purposes.

27,385. (Mr. Dalton.) If in your re-valuation you were to value the site separately from the buildings upon it, have you formed any estimate of what additional cost that would involve?—If I were to value the site as a separate hereditament?

27,386. In every town?—It would not be a very heavy cost in Ireland, because I do so now.

27,387. In Dublin, for instance?—In Belfast I am doing it for the whole town.

27,388. You are doing it separately, site and structure?—Yes.

27,389. Have you got many appeals against the value put upon the site and the structure?—It has not been so issued yet, I have never issued them separately, but I am valuing them separately.

27,390. For your own purposes?—For my own purposes.

27,391. But that has not stood the test of being submitted to the owner and the occupier?—No.

27,392. Does this quarter of a million include the cost of the appeals against your valuation?—Yes.

27,393. Have you got many of those?—No. I could give you about the number we have each year. I should say, before I give you the number, that there is a first appeal from my office to myself. In those cases, of course, there may be an error made by one of my staff, and there may be a case in which a man does not understand his valuation; he appeals; and these cases all come to me. There would average between 350 and 400 every year out of a total of about 40,000 cases.

27,394. (Mr. Arthur O'Connor.) Scarcely one a day?—Yes, but they come in altogether—then the appeals to Quarter Sessions would average about 12 every year.

27,395. (Mr. Dalton.) What are the first appeals—empty appeals to you to reconsider the valuation?—Yes.

27,396. And then, when you have reconsidered it, you have only about 12 final appeals to the court of Quarter Sessions?—That is about the average number.

27,397. Have you had many appeals from the railway companies against your valuations of their property as a whole?—No, I have not had any.

27,398. They are content with the present valuation?—I presume so.

27,399. Do you concur in what two witnesses have said to-day as to the railways being over-assessed?—I think the fact of their not having appealed shows that they are not over-assessed.

27,400. Do you think that they are sufficiently assessed?—I do.

27,401. Under the existing law?—Under the existing law I think they are.

27,402. Do you think the existing law is satisfactory; do you think the existing law brings about the result that they are assessed on their real annual value?—I think, taking into consideration the assessment law, that they are.

27,403. But, supposing you had to start afresh with legislation, do you think the existing legislation is sufficient to bring them up to the mark?—I think on comparing them with other rateable properties.

Mr. J. G. Sullivan, U.S. 29 Nov. 99

Sites and buildings separately valued as being made in Belfast.

Appeals against valuations. Number made in the year.

Railways. Question whether they are sufficiently assessed discussed.

Mr J. G.
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20 Nov 76
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27,389 What is the usual percentage of the rent, speaking very roughly, to the purchase money of a freehold house; if you spend 5,000*l.* in the purchase of a house proper in a town in decently good condition, what rent should you expect to get in return for your 5,000*l.*?—I should consider that if I had bought a house for 5,000*l.* my rent was about 6 per cent. on that.

27,400 That is about 180*l.*; what should, do you think, the annual value of that be for the purpose of assessment, I should think it would work out to about 4 per cent.; that would be about 180*l.*

27,401 According to the evidence which we got to-day, when you treat a railway company in the same way, the rateable value is about 2 per cent.—Yes.

27,402 Is that altogether satisfactory comparing the two properties?—I think it is.

27,403 Why?—The expense of maintaining a railway in such a condition as will command a profit is very much greater than the expense of maintaining a house in such a condition that you can live in it.

27,404 The evidence that we had to-day was that the dividends, after payment of rates and everything else on the railway, were about 2½ per cent. on the capital?—Yes.

27,405 That is a pretty good return for the purchase money, is it not?—Yes.

27,406 A larger return than you have allowed here for the purchase money of a house?—I should like before going into that question further to know exactly what that capital was, and whether that really represented the capital of the company.

27,407 I understood that 6½ per cent. was paid upon it, that the present shares were above par—how far above par we were not told.—I think the present shares are about 150.

27,408 One hundred and fifty?—Yes, as well as I can remember, or rather over, I think.

27,409 The railway there seems to have been under-rated to a still greater extent than at first appeared to be the case, they were rated as about 2 per cent. on their assumed seven millions; whereas the real value of the undertaking is about nine millions, and that would only make it about 1½ per cent.—It is low if you compare it with the capital.

27,410 That is rather startling if you compare it with the value that is usually attributed to house property for the purposes of rating. Speaking generally, do you think they are rated on a satisfactory system?—Yes, I do.

27,411 You propose, I think, that if the Government were to undertake the re-valuation they should not proceed with it at once?—Yes.

27,412 You say it is questionable whether it would be advisable to deal with the re-valuation of land just at present, how long do you think it would be necessary to postpone it; would you wait till all the urban districts are finished?—I think the urban districts are the most pressing.

27,413 How long would they take to do it, do you think?—Of course that is entirely a question of staff. I could do it in two or three years without any trouble if I could get sufficient staff, and the cost was provided for. At present I propose to raise Belfast in about 15 to 18 months; that is a valuation of about 60,000 to 100,000 rateable hereditaments.

27,414 Would it be necessary as a preliminary to this re-valuation to alter your existing law at all?—Yes.

27,415 That would be the first stage and that would take sometime?—Yes, and I think that ought to be done.

27,416 But the existing re-valuation of Belfast is going on under the existing law, I suppose?—It is.

27,417 When your law has been altered, would the re-valuation of Belfast have to be done over again?—No, it has been done in such a way that if there is any alteration in the law, unless it is something very radical, I could bring it into line with the new state of the law.

27,418 You do not consider that the valuation which you put upon the railway companies is in any way attributable to the fact that, if the companies were to appeal, a very great expense would be incurred by the

Government?—The expense would be very slight. You see, in Ireland, if a company appeals on the particular valuation instead of having the appeal in every parish, it would appeal against either the whole valuation or against the principle on which we divided it; and so it would come to be one appeal which would be heard in Dublin.

27,419 Who would hear it?—It would be heard in the first instance by the Judge of the Quarter Sessions, then it would go to the Court of Queen's Bench, and then to the Court of Appeal, if it was a question of law.

27,420 You have never had such a case yet, I believe?—Yes, not from a railway, but I had in regard to a coal mine.

27,421 (Mr. Arthur (Cannon.) You have 35 valuers in your department, I think?—I have 35 valuers on the revision work.

27,422 And that is not one to each county and county towns?—It is just about one to each county.

27,423 Leaving out the county towns?—Yes.

27,424 Your staff would have to be very materially increased to re-value Ireland?—Yes. I am re-valuing Belfast with a totally new staff.

27,425 Would you have to supplement your existing staff with a very large number of persons new to the work?—Yes.

27,426 Where would you probably meet with them?—I should get some of them in Ireland and I am afraid I should have to come for some of them to England. Unfortunately, in Ireland, we have not got very many men trained for that class of work, but we can get some in England.

27,427 For the purposes of Belfast how many men have you detached from headquarters for the re-valuation?—Only one for the present, I had two up till last week and I have now only one.

27,428 One trained man to do the whole of the valuation?—I have not begun the valuation yet. What we are doing now is getting all the particulars necessary for the valuer. The first operation is to go to every house and to get all particulars. I would like to hand this in, it is the note book that we are using in Belfast, and for all our valuations I shall use it in future. It gives you all the particulars that these men are now getting. When this is filled up I intend to start the valuers—most likely in two or three months—and they will then be able to go through the town and value each hereditament. (*Handing in "Valuer's Office Note Book" for the "General Valuation of Ireland for Rating Purposes."*)

27,429 This is a book which shows a particular parcel with the name of the occupier and the immediate owner?—Yes.

27,430 With references to the street, and a map?—Yes.

27,431 It also shows the description of the tenement, the approximate size, the frontage, depth, height, and other contents, the description of walls and roof, the number of stories, the number of rooms and offices, and whether fitted with gas and bathroom?—Yes.

27,432 And then comes the rent?—Yes.

27,433 Whether it is paid as a whole or if let in tenements?—Yes.

27,434 Then it shows the ground rent or head rent, the actual or estimated cost of construction, and the reported price if purchased; would that include the site as well as the structure, or the leasehold or the freehold interest?—It might include either one or the other; that would have to be explained.

27,435 What is intended to be included?—It is intended to include either one or the other. The man may have purchased the freehold or he may only have got a lease, that is to be stated by the officer when filling it up.

27,436 Then it shows the expenditure by the occupier on purchased or leased premises, the length of the lease, and the condition of free or so far, the repairs (I suppose that means the covenants), by whom done and to what extent?—Yes.

27,437 Then it shows the insurance and the rates paid by the landlord, if any?—Yes.

27,438 Would that include property tax?—Yes, where there was any paid.

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company does not have to appeal against particular valuations as in England, but would appeal in Dublin or wherever of principle. He also has a list of the names of the Commission of Valuation would have to be increased to do the work.

Belfast Valuation of Model adopted for rating for valuation.

Revaluation in Ireland would take two or three years with a sufficient staff.

Railways appeals are not costly because a

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27,439. The area of the land, and then in the end "valuation and how arrived at?"—Yes. That last item is filled up by the value.

27,440. All these other things are matters rather clerical?—More or less. There has to be a survey made of every house; they are young surveyors whom I have employed upon it.

27,441. You have a surveyor, and you have a certain amount of clerical work with regard to the recording of these details, and the valuer looking over these arrives at a certain amount?—Yes.

27,442. That amount being arrived at, what is the appeal?—The appeal is, in the first instance, to me, and if there is any matter of explanation that is settled; then it is to the quarter sessions, and then it is to the higher courts on a question of law.

27,443. To a divisional court?—To the Queen's Bench, on a question of law.

27,444. And then?—To the Court of Appeal.

27,445. And then to the House of Lords?—No, we have not an appeal to the House of Lords.

27,446. The Court of Appeal is final?—Yes.

27,447. (Mr. Clowes.) What will be the amount of the staff necessary for the re-valuation of the whole of Ireland if you have five years for it?—I could not answer you straight off.

27,448. Roughly speaking, would it be many hundreds?—I should require a great many valuers.

27,449. A great many of them—most of them, I suppose—would have to be temporary appointments, because at the end of the five years the work would cease?—Yes.

27,450. (Mr. Clowes.) Is your system of ascertaining the valuations the same in Ireland as in England, namely, that you have to commence by ascertaining the rent that a hypothetical tenant would be willing to pay for a property in the existing condition to occupy as tenant from year to year?—Yes.

27,451. Supposing you come across a piece of land in the middle of a street with no buildings on it, how do you value that, assuming it is simply waste land and is not let to any tenant?—We do not value it.

27,452. Suppose you go on a little bit further and you come to a builder's yard, and you find there sufficient material stocked to build a house costing a couple of thousand pounds; what valuation would you put upon the building materials?—We should put nothing on the building materials, we would value the yard as a builder's yard.

27,453. You do not add any additional value to the yard because it has got a lot of materials present in it?—No.

27,454. So you have the land which you do not value because there is no building upon it, and you have the building materials, which you do not value because they are not put into the shape of a house?—That is so.

27,455. You put the two together, and you arrive at a valuation of, say, a couple of hundred pounds a year?—Yes.

27,456. Then you are asked to separate the two; if you value away the buildings they are simply old materials?—Yes.

27,457. And the land remains unoccupied?—Yes.

27,458. If you leave the buildings on the land, the two combined are worth 200*l.* a year?—Yes.

27,459. Directly you separate them, both come to be valuable?—Yes.

27,460. What is the use of trying to separate the land from the buildings in the valuation?—Why do we separate them?

27,461. What is the use of it?—The reason that I separate them is in order to arrive at what the tenant would give for the whole thing, it is merely a check used by me where we have not got a rent.

27,462. That is perfectly true; as long as the two things are combined the tenant will give 200*l.* a year for them?—Yes.

27,463. He will not give you anything for the buildings, except as the price of old materials, if you remove them off the site?—Yes.

27,464. He will not give you anything for that site unless the buildings are there?—Yes.

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27,465. What is the use of trying to separate the 200*l.* a year, so as to assign, say, 100*l.* a year to the site, and 100*l.* a year to the buildings; it is a purely arbitrary division, is it not?—Partly, but it is necessary in order to build up a valuation where you have not got a rent paid.

27,466. Assuming you have a theory to carry out, and you are told that you must separate the value of the land from the value of the buildings, then, of course, you can do it, as most scientific men can do most things, but what is the logic of it?—The logic is this: that it is necessary to arrive at the value of the land and the buildings when they are put together, as you have just said.

27,467. The tenant cannot stand without the site, the site is no use without the buildings, the two combined comprises what is ordinarily known as a house?—Yes.

27,468. And the house lets at 200*l.* a year?—Yes.

27,469. But the component parts are worthless if you separate them?—Yes, but when they are together it is the two component parts that make the rent.

27,470. What I cannot see myself, is, how you can logically divide the value of the land from the value of the buildings. The only way, so far as I can see, that you can do it is this, that you take a given area comprising, we will say, 1,000 square yards in a town, you then calculate in your mind that if somebody or other with capital can be found to put up a building which is appropriate to that site, he will be able to get a certain rent from it?—Yes.

27,471. Out of that rent he will be able to pay himself his 6 per cent. interest upon his building cost, he will be able to pay all the rates and outgoings, and there will be a certain margin left which he receives as the value of the site?—Yes.

27,472. But it is only after all a method of calculation?—It is a very large proportion of our cases there is an actual rent paid for the site. I pay you a rent, say, of 10*l.* a foot for a certain site in a street, and I build a house which costs me 2,000*l.* I tell you that the rent that I am paying is that 10*l.* a foot which I am paying you, as well as interest on the house that I have built.

27,473. No, but you pay a price for the land, because you are prepared to put some buildings on it which will develop it, but what you will have to do as a valuation authority is to take what is the value of that piece of land as it stands to be let to the hypothetical tenant?—Yes.

27,474. That is the way you have to value?—Yes.

27,475. When you are asked to separate the value of the land from the value of the buildings, you must not take the value of the two combined and divide it, but you must take the value of the land first of all, with the buildings off it; then you must take the value of the buildings without the land, and you must not put it up as it was in the builder's yard, because uncombined they are not worth anything?—That is exactly what we do.

27,476. (Mr. Arthur O'Connor.) I suppose you could not have a house without a site, could you?—I have never seen one like you.

27,477. But you could have a site without a house?—You can.

27,478. If, then, you had a site on which there had been a fire, or on which there had as yet been no erection, you could value that site as a site?—Yes.

27,479. If, then, you are able to value a site as a site, and you know the cost of the erection of a building, and you know the total valuation of the whole, by deducting either the value of the house as a structure from the total, or by deducting the value of the site as a site from the whole, you get at the value of the other?—Yes.

27,480. (Mr. Clowes.) Pardon me; the question Mr. Arthur O'Connor has put to you is—Can you value a site for the purposes of sale? That, I wish to point out, is an entirely different thing from valuing a site for the purposes of assessment. A piece of land may be worth so much money for the purposes of sale, because the purchaser can see his way, by developing it, to make a profit out of it; for the purposes of valuation you have not to take into consideration what it is worth for sale, but you have got to take into consideration (and only that) what it is worth to be

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occupied in its existing state by a tenant from year to year?—Yes.

27,481. (Mr. Arthur O'Connor.) Would you say that the rate has any value apart from human industry, if no human being ever used it, is it of any value to any human being?—I am just thinking of whether it could be.

27,482. What would you say is the value of the land upon which the North Pole, if it exists, as a separate entity stands?—My powers extend only to Ireland.

27,483. (Mr. Glavin.) You can have grass land let at 2s an acre, which is only good for horses?—Yes.

27,484. (Mr. Elliott.) A propos of that question of bog rents, I want to ask you, quite simply, whether you have ever valued the same subject before, namely, once in the name of the landowner in the districts in which the bog is situated, and once in the name of a tenant in the district in which his holding is situated?—Not to my knowledge.

27,485. Then with regard to the gradual deterioration of structures, I suppose you would agree that that deterioration may be counter-balanced for the time being by an increased demand for the structures in the district?—Yes, such a thing does occur often.

27,486. There are one or two points in your memorandum which I think you might wish should be brought out. It was suggested to us in evidence, that in Dublin applications for revision have not been generally made, because the Poor Rate Collector was a Government officer, what would you say as to that?—In my opinion, I do not think that has influenced them in the slightest. It has ceased now, the rate collector being in the hands of the Corporation. I think it is simply because cases have not been noticed by them that they have not brought them forward. What they have done, really, is this, that whenever there has been a structural alteration, which has called their attention to the necessity for a re-valuation, they have generally noticed it; but, as you know, poor rate collectors sometimes make mistakes, and they do not put every case before us.

27,487. The case of the gasworks was specifically mentioned to us; what is their position? How could a re-valuation of the gasworks be brought about?—Simply by their putting it on the list for re-valuation. I have valued a great many gasworks; I should think I have valued 8 or 10 in Ireland in the last two or three years.

27,488. There is no legal difficulty in the way?—None whatever.

27,489. It is simply that no one has put the law into force?—That is all.

27,490. Then Mr. McGovern suggested to us that saltpetre, mines, and quarries, in Ireland, ought to be valued?—I think he must have been under a mistake as regards that, because they are all valued, so far as I know.

27,491. He quoted one specific case to us, the Enne Fobury, which he said occupied the local taxes; can you confirm that statement?—No, the Enne Fishery is valued for 1,110s a year.

27,492. Then you say he is absolutely misinformed as that case?—Yes.

27,493. Another example that was given to us was the Angus quarry?—The Arigna quarry and mines are valued at 250s.

27,494. Then Mr. Dugg told us what, I think, struck many of the Commissioners at the time, that the annual revision is often carried out without an inspection of the premises which are the subject of the revision; is that the case?—I think he must have been misinformed as regards that. My visitors have to visit every house, and, wherever possible, to see the occupier of the house; they have to report to me that they have visited every house, and they have to give in those note-books—of which I have already handed you one—full particulars of the house. So that I do not think it is possible that such could be the case.

27,495. In paragraph 14 of your memorandum, you say that the re-valuation of the six county boroughs is provided for in the Local Government Act, and this work is now in progress?—Yes.

27,496. What are the six county boroughs?—Dublin, Belfast, Londonderry, Cork, Limerick, and Waterford.

27,497. Are we to understand that the re-valuation of Dublin is now in progress?—No, only Belfast; that is the first of them.

27,498. Then you would wish, to that extent, to qualify your memorandum. The work is only in progress in Belfast?—Yes.

27,499. Now what is necessary in order to bring about the re-valuation of the five other county boroughs?—A vote of the corporation asking for it.

27,500. Are you aware whether the subject has been under the consideration of any of the corporations of the five other county boroughs?—In Dublin a new Bill, which was brought forward last year, for the extension of the city contained a clause that if it passed a re-valuation of Dublin was to follow.

27,501. Then, so far as the five other county boroughs are concerned, the re-valuation is purely dependent upon the action of the local authority?—Certainly.

27,502. We have no guarantee under the law, as it stands, that there will be a re-valuation?—No, it lies with themselves.

27,503. But you would suggest—and I am very much struck with this suggestion—that the first thing to be done is to re-value the county boroughs?—Yes.

27,504. Would you embody that requirement in a Statute if the decision rested with you?—I think I should. I think the re-valuation of the county boroughs and the urban districts should precede the valuation of the rural districts.

27,505. (Mr. Smith.) I have only one question following on that, as Mr. Elliott has anticipated the question I wished to put. While there is an optional power resting with the local authorities of the county boroughs to be re-valued, there is no such power for the urban districts, I think?—No, none.

27,506. Therefore, legislation would be required in that respect?—Yes.

27,507. Belfast, I think you have said, is the only one that has adopted the suggestion that there should be a re-valuation?—Yes.

27,508. (Mr. Walshev.) There is only one question that I want to ask you with regard to the railway question. In the memorandum of one of the other witnesses we have had before us to-day, it was suggested that some allowance should be made with regard to the risks, I suppose you would admit that there are great risks attaching to railway enterprise?—Yes.

27,509. For instance, there are considerable fluctuations in the stock?—Yes.

27,510. Certainly, in my lifetime—and not so long ago—the Brighton stock was at 90, and it is now at 200 or more?—Yes.

27,511. Taking matters of that sort into consideration, no doubt that would be a risk which would come within the purview of the valuer?—Yes.

27,512. Also I think one of the witnesses to-day suggested that there was a very large increase in the price of coal. That is a risk, again, which companies have to contemplate?—Yes.

27,513. Also another matter, and a very serious matter I am afraid at the present time certainly, with the English railways, is the risk of strikes?—Yes.

27,514. A railway may be entirely closed by a strike for some time?—Yes.

27,515. And there is the possible loss of a million of money in a very little time?—Yes.

27,516. These are all risks which have to be taken into consideration?—Yes.

27,517. And for which a valuer may contemplate giving certain reductions lowering what otherwise might be considered a fair valuation?—Yes. I think, on the whole, the present system as adopted in Ireland and in England is a fair one.

27,518. Probably you would think, and others may think with you, that the Irish system is preferable to the English system with regard to valuation, that is you have a valuation of the railway as a whole by a competent official, and then that valuation is divided up into the areas?—I think it better for all parties.

27,519. (Mr. Arthur O'Connor.) I do not think it is quite fair to allow you to go without mentioning the

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Government Act as the basis of the legal authority. There is no such power in the case of urban districts.

Railways. The question of risks has to be taken into consideration when making valuations.

Railways. Irish system of valuation the best.

Dublin valuations.

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fact that in reference to Dublin we have had evidence to the effect that there are in many streets cases in which a valuation might stand at £50, and the rent obtained for the same premises is a very large multiple of £50. I have heard such statements, and I believe there may be one or two such cases in Dublin, but I think there are very few.

27,520. In so far as they exist, I suppose there is room for a re-valuation?—Certainly; I think it is absolutely necessary.

27,521. Now, supposing there are many such cases, the total valuation of Dublin would be considerably lower than it might be?—Is considerably lower, did you say?

27,522. The total present valuation is considerably lower than it might be?—Yes.

27,523. Does not the valuation of Dublin affect, under the existing law, the borrowing powers of the Corporation?—Yes.

27,524. Therefore, the under-valuation of Dublin may have a very restrictive effect upon its borrowing power?—Yes.

27,525. We are told with regard to certain corporate towns including Dublin, there is power to apply for re-valuation?—Yes.

27,526. But with regard to a number of centres of population outside these towns there is no such power?—That is so.

27,527. And yet those centres of population are affected in respect of their borrowing powers in the same way?—They would be.

27,528. Therefore, from that point of view alone, it might be of very great importance to a number of centres in Ireland to have a re-valuation, in order that they might develop their own resources, if it was only by means of borrowing powers?—Yes.

27,529. From that point of view do you say it is desirable to have a re-valuation of Ireland?—That is one of the points of view.

27,530. That among other reasons?—Yes.

27,531. You have seen the evidence, I think, of a number of witnesses which affected or related to your department?—Yes.

27,532. Is there any other point upon which you would like to offer any observations?—I do not think there is anything of importance; there were some minor observations.

27,533. (Mr. Clave.) Might I just follow up Mr. Arthur O'Connor's question? Has the Dublin Corporation or the corporation of any of these other county boroughs applied for a re-valuation?—Not yet, only Belfast.

27,534. They evidently have not found that it affected their borrowing power?—There may be other interests, and there may be other questions arising which may have prevented them asking for a re-valuation.

27,535. I mean quite irrespective of the question whether re-valuation is desirable or not, it will hardly be a reason for pressing it that the Dublin Corporation can borrow money to a greater extent, or at a lower rate of interest if they have a re-valuation, which would increase the present assessment when they themselves have refrained from applying for a re-valuation, although they have all the time had the power to do it?—They have only had the power to do that within a year.

27,536. (Mr. Arthur O'Connor.) Under the late Act?—Yes.

27,537. And under that Act there is given the same power to other centres of population?—It is only given to the six cities.

27,538. Which are affected by a justification of the borrowing powers as to the valuation?—Yes.

The witness withdrew.

Adjourned.

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22.—Mr. **ROBERT FINLAY HERON, M.A.**, Secretary to the Blackrock Urban District Council. (Questions 26,280-26,555.)

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24. Mr. **NICHOLAS JOSEPH SYNHOIT**, Barrister, Chairman of the Board of Guardians of the Nass Union, County Kildare, and Director of the Waterford, Limerick, and Western Railway Company. (Questions 26,631-26,632.)

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APPENDIX TO VOL. V. OF MINUTES OF EVIDENCE

TAKEN BEFORE THE

ROYAL COMMISSION ON LOCAL TAXATION.

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APPENDIX I.

Memorandum as to the effect of the Local Government (Ireland) Act, 1898, on Local Taxation, prepared for the Commission by Sir Henry A. Robinson, K.C.B., Vice-President of the Local Government Board for Ireland. [*See MINUTES OF EVIDENCE, QUESTIONS 23,582-23,477.*]

I.—PRELIMINARY STATEMENT AS TO ALTERATION IN LOCAL GOVERNMENT AREAS AND AUTHORITIES.

APP. I.

1. The main object of the Local Government (Ireland) Act of 1898 was to transfer to popularly elected Local Bodies the powers and duties of the Grand Juries and of the County-at-large Presentment Sessions. This was done by the creation of County Councils elected by local government electors—that is, by the parliamentary electors and those persons who, but for being peers or women or being registered as parliamentary electors elsewhere, would be entitled to be entered in the parliamentary register.

County Councils. Powers and duties of Grand Juries, County Presentment Sessions, and other Local Authorities transferred to them.

2. Additional duties were at the same time either imposed upon these Councils or transferred to them from other Local Authorities, such as the duties of the Guardians under the Diseases of Animals Act, 1894, and the Destructive Insects Act, 1877; of Justices in Petty Sessions under the Explosives Act of 1875; duties in connexion with the Technical Instruction Acts, 1889-91, the Military Manœuvres Acts, 1897, and the Ancient Monuments Protection Acts, 1882 and 1892; together with an extension of several of the powers inherited from their predecessors.

3. Six Municipal Boroughs (Dublin, Belfast, Cork, Limerick, Londonderry, and Waterford) were constituted Administrative Counties as "County Boroughs," and the governing body were given almost all the powers of a County Council and the powers of Baronial Presentment Sessions under the Grand Jury Acts in so far as they had not the same already. The Councils of the County Boroughs retain all their pre-existing powers, whether as Urban Sanitary Authorities or as Municipal Corporations or otherwise.

County Boroughs. Six Boroughs so constituted. Powers conferred.

4. The business of the Baronial Presentment Sessions was transferred to Urban and Rural County District Councils, and in the case of the former Councils, the business also of the Grand Jury in relation to public works the expense of which is leviable off the district and not wholly or partly leviable off the county at large.

Urban and Rural District Councils. Business of Baronial Presentment Sessions transferred to them. Urban District Councils also have charge of certain public works, and are the Sanitary and Road (including Main Road) Authorities.

5. The Urban County Districts are the Urban Sanitary Districts under the Public Health Acts, exclusive of the County Boroughs. The Councils of these Districts, in addition to their powers under the Sanitary Acts, the Acts constituting them municipal bodies, or other enactments, obtain, by the Local Government Act, the powers and duties of Road Authorities, except where they were already so invested by statutory authority.

Some additional powers were conferred on Urban District Councils, and in particular the power of undertaking the entire maintenance of main roads within their districts which otherwise would be under the control of the County Council, and the cost partly leviable off the county at large. Main roads are roads within the county declared to be such by the County Council, but the declaration is subject to review at any time after the end of five years from the time when it came into force.

6. The Rural County District corresponds generally with the original Rural Sanitary District under the Public Health Acts, but where a Rural Sanitary District extended into more than one county the portion in each county is now constituted a Rural County District. The administrative Authority of a Rural District is a Council called the Rural District Council, who have all the powers of a Rural Sanitary Authority in addition to those of Presentment Sessions given by the Act. A few other powers, but not of very great importance, are bestowed upon these Councils.

Rural District Councils replaced the Rural Sanitary Authorities.

7. Municipal towns not Urban Districts still remain and form part of the Rural Districts in which they are situated, but provision is made in the Act for the constitution of these areas as Urban Sanitary Districts by means of an order of the Local

Towns not Urban Districts remain part of the Rural

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Districts, but may become Urban Districts.

Boards of Guardians. Duties now mainly confined to administration of Poor Law. Their rating powers are taken away and ex-officio Guardians are abolished.

Local Government. Areas and Authorities under the Local Government Act. The overlapping of areas is abolished, except in the case of Unions.

Government Board. An order of this nature does not require confirmation by Parliament if there is no petition lodged against it within three months after publication.

8. The Board of Guardians are now confined to their original duties as the local administrators of the poor law, the area of administration being the Poor Law Union as heretofore, but the Committees of Management of Dispensary Districts have been abolished and their duties transferred to the Guardians.

A few additional powers have been given the Guardians by the Act in connexion with their duties, while on the other hand their rating powers have been taken away.

Ex-officio Guardians, being representatives of the owners of property by whom half the rates were paid, are abolished, as the occupier is now liable for the entire poor rate, and controls the expenditure.

9. It thus appears that the local government areas and Authorities are now—
The Administrative County with a County Council.

The County Borough (which is both an Administrative County, an Urban District, and a Municipal Borough) with a Council the same as the Corporation of the Borough.

The Urban County District with a Council the same as the Corporation of a Borough where the district is a Municipal Borough, and the same as the Town Commissioners where the district is a town not a Borough.

The Rural County District with a Council.

The Municipal town, not an Urban District, with Commissioners.

The Union with a Board of Guardians.

Nothing, however, is to alter the style or title of the Corporation or Council of a Borough.

In all these cases the franchise has been bestowed upon the local government electors of the several areas, and overlapping of Authorities is prevented by the provision of the Local Government Act that a County District shall be situated wholly in one county. This has been carried out, and the Union alone extends beyond the county boundary—38 out of the 169 Unions in Ireland being in two counties, and 8 Unions in three counties.

II.—ALTERATIONS IN SYSTEM OF LOCAL TAXATION.

It is, however, mainly in the following particulars that the Local Government Act of 1898 has altered the system of local taxation in Ireland, while leaving the essential basis of such taxation unchanged:—

Rates leviable. Abolition of County Cess and transfer of charges thereon to Poor Rate. Method of rating Urban areas in County Boroughs and other Urban Districts.

10. The tax known as County Cess has been abolished, and the expenses charged thereon transferred to the Poor Rate, which now constitutes the single County Rate. In Urban County Districts the expenses incurred by the Urban District Council in respect of business transferred to them, in pursuance of the Act are paid, not from the Poor Rate, but from the rate out of which the paving and cleansing of the streets are or can be defrayed. In County Boroughs the mode of charging these expenses is governed by the manner in which like expenses had hitherto been defrayed. If out of a rate other than County Cess, or other than a rate levied under the enactments relating to County Cess, the same course will continue, but in any other case the expenses are to be defrayed out of the Poor Rate.

Road Rating in Urban Districts. Incidence will be changed in most Districts.

11. The result of this provision in most of the Urban Districts will be to change the incidence of the Road Tax. Hitherto expenses of this nature would as County Cess have been levied as an equal poundage rate on land and buildings; now a differential rate will be established, lands, railways, and canals being assessed at only one-fourth their valuation. The change is, however, in accordance with precedent, as where Urban Sanitary Authorities have hitherto obtained Grand Jury powers under section 206 of the Public Health Act, 1878, the charges were by the Act confirming the transfer of these powers imposed upon the town rate.

Poor Rate. Except in certain cases the occupier is now liable for whole of rate and may not deduct any part from his rent. Consequently adjustment in the case of existing tenancies

12. The liability for assessment to the Poor Rate has been attached to the occupier in all cases with two exceptions—(a) where the house is let in separate apartments or lodgings, and (b) in the case of a half rent received for hereditaments exempt from rating. In these two cases the rate will continue to be made on the immediate lessor.

The occupier is not entitled to deduct from his rent any part of the Poor Rate, and any contract to the contrary respecting such deduction is void, except—

(a) Where made on the immediate lessor as above mentioned.

(b) Where an Urban District Council, independently of the Act, could raise a rate on the same basis as Poor Rate, and, in accordance with the powers given them

in that behalf by the Act, do raise such rate as part of the Poor Rate, but as a separate item. In that case any right to deduct continues as respects that item.

- (c.) In the case of existing tenancies. An elaborate scheme of adjustment is provided by the Act to prevent hardship being caused either to the occupier by reason of the terms of his existing contract, or to the landlord by reason of his not possessing any control over the expenditure.

The poundage rate of Poor Rate and County Cess in the financial year ending 1897 is taken as the basis for regulating the deductions or allowances to be made. In the case of Agricultural Land the scheme contains a further principle, that the tenant is to obtain the benefit of the State grant with respect to County Cess, and the landlord the benefit with respect to Poor Rate. This matter will be referred to in more detail below. No deduction can be made under existing tenancies in respect of so much of the Poor Rate as comprises the cost of extra police or compensation for criminal injuries, and the occupier must bear the whole of these charges.

With respect to Poor Rate levied on account of any railway, harbour, or navigation charge, or special expenses under the Public Health Acts, the same proportion as hitherto can be deducted, no matter what the amount of rate may be, without reference to any fixed or standard amount as in the other cases, and a similar principle is adopted with respect to the Poor Rate on holdings in Urban Districts constituted by a lease for lives or a lease of which not less than five years were unexpired on the 1st of April 1899.

13. The liability for assessment to Urban Rates is also shifted, and the occupier is now to be rated, except (a) where the house is let in separate apartments or lodgings, and (b) in the case of a half rent received for hereditaments exempt from rating. In these cases the rate will continue to be made on the immediate lessor.

There is no enactment, as in the case of Poor Rate, nullifying any contract by which the occupier may deduct from his rent any part of the Urban Rate, and consequently it may be open to the parties concerned to contract out of the provisions of the Act in that respect.

Where under a local Act in a County Borough a rate could hitherto have been made on the landlord or immediate lessor the Council may by resolution determine that the occupier shall not be rated under the above-mentioned provision of the Local Government Act.

It follows that in the case of rates under local Acts in Urban Districts not County Boroughs, the occupier must in all cases be rated, and any discount which has been allowed to landlords for paying rates instead of the occupier must apparently cease.

Under an existing tenancy in an Urban District the occupier may deduct from his rent the amount of Urban Rate for which he becomes liable on account of the Local Government Act, unless his contract of tenancy otherwise provides.

14. A fixed sum amounting to £727,655 (the "Agricultural Grant") is to be paid each year by the State in aid of the new Poor Rate on Agricultural Land. Agricultural Land is defined to be every hereditament entered as Land in the Valuation List within the meaning of the Valuation Acts which is not part of a railway or canal, but does not extend to any hereditament situated within the boundary of any Borough or of any town which is (for the time being) an Urban Sanitary District. Where, however, Agricultural Land is included in an Urban District after the commencement of the Act it will retain the benefit of the Grant.

The Agricultural Grant forms part of the proceeds of the Estate Duty derived in Ireland from personal property and is payable half-yearly out of the Local Taxation (Ireland) Account to the County Councils. The amount of the Grant was ascertained by taking half of the amount raised in the whole of Ireland by Poor Rate and County Cess (1,455,310*l.*) off Agricultural Land during the 12 months ending, as regards Poor Rate, on the 29th September 1897, and as regards County Cess on the 30th June of the same year (known as the "standard financial year").

15. In ascertaining the amount so raised, the following sums were excluded:—

- (1.) Expenses in relation to additional Constabulary (i.e., beyond the regular quota of men fixed by the Constabulary Acts for any place);
- (2.) Compensation for criminal injuries;
- (3.) Railway and Harbour charges;
- (4.) Navigation charges;
- (5.) Special expenses under the Public Health Acts;

Urban Rates. Except in certain cases, the occupier is now liable for whole of rates, though contracts to the contrary will not be void. Provisions as regards existing tenancies and local Acts.

Agricultural Grant. A fixed sum is to be paid by the State to County Councils in aid of the new Poor Rate on Agricultural Land. How the amount of the Grant was fixed.

APP. L

and any exceptional circumstances causing a variation from the average were taken into account. The sums levied for the purposes of the Labourers Acts were included, and the calculation was made on the assumption that the County, District, and Union rating prescribed by the Act had been in force in the standard financial year. This assumption gives a greater benefit where the Poor Rate and County Cess were under the average for the whole Union or district.

16. The benefit of the Grant is strictly confined to Agricultural Land, and was intended to relieve the landlord in respect to Poor Rate and the tenant with respect to County Cess—the tenant, as a general rule, paying the whole of the County Cess, and the landlord half the Poor Rate.

The mode in which this sum is apportioned will be shown below.

17. The rating Authorities have been reduced to three, namely, the County Council, the Urban District Council, including the Council of a County Borough, and the Town Commissioners of towns not Urban Districts.

18. The expenses of County Councils may be classified under the following heads:—

(a.) Union charges. Expenses under the poor law are no longer Divisional charges, but are in future to be raised equally over the whole Union. Where a Union is divided between two or more counties, the total amount to be raised is to be apportioned between each divided part in proportion to its valuation, and the sum thus apportioned to a divided part is to be raised equally over that part as if it were a separate Union. The Poor Rate, however, will not in future be raised by the Guardians, and this duty will devolve upon the Councils of Counties, County Boroughs, and Urban Districts.

(b.) District charges are charges leviable over the whole of a Rural District, such as general expenses under the Public Health Acts, burial board expenses, maintenance of district roads, cost of public works in the district not leviable off the county at large. The expenses incurred in connexion with the Labourers Acts are now district charges, and not chargeable to electoral divisions or other areas as heretofore.

(c.) Excluded charges are charges leviable on separate areas in the county, and include the (1) cost of extra police; (2) compensation for criminal injuries; (3) charges in connexion with light railways or tramways; (4) charges in connexion with harbours under certain Acts; (5) charges in connexion with works under the Relief of Distress Act, 1880, and amending Acts; (6) charges for navigation works; and (7) special expenses leviable off a contributory place in a Rural Sanitary District, either under the Public Health Acts or any enactment directing expenses to be levied as expenses under those Acts. These special expenses are now regulated by Orders of the Local Government Board, dated respectively the 15th May and the 17th July 1899, which have been validated by section 5 of the Public Works Loans Act, 1899, and it is probable that in future the greater portion of these expenses will be made chargeable on the entire Rural District.

(d.) County-at-large charges are expenses incurred by a County Council in the execution of the Local Government Act, and in relation to their business, which are not Union, District charges or Excluded charges, and which are chargeable upon the whole county—no provision being otherwise made by law.

(e.) Urban charges are expenses incurred by a County Council which may, under any enactment or any direction given thereunder, be levied off an Urban District.

19. Where under any enactment charges may be levied off a Barony or other portion of a county, they may be levied equally over the whole of the county districts or districts comprising the barony or portion, or equally over the whole of the county, and shall be District charges or Urban charges, or County-at-large charges accordingly. This rule is, however, subject to the exception of the "excluded charges," which are leviable on any area.

20. The local financial year will in future be the 12 months ending the 31st day of March, and prior to the 1st April in each year the various Boards of Guardians and Rural District Councils must send to the County Council an estimate of their expenditure for the year. The County Council will also estimate their own expenditure for the same

Agricultural Grant. Relief given to landlord and tenant.

Rating Authorities reduced to three.

Poor Law Expenses will be raised equally over the whole Union by Councils of Counties, County Boroughs, and Urban Districts.

District charges are leviable on Rural Districts. Expenses included.

Excluded charges are leviable on special areas. Expenses included.

County-at-large charges consist of the principal expenditure of a County Council.

Urban charges leviable for expenditure of County Council.

Charges hitherto leviable off Baronies. Future area of chargeability.

Sums to be raised by County Councils. Method of apportioning (1) the charges between

ART. I.

Urban and Rural Districts, and
(2) the charges on Rural Districts between agricultural land and other hereditaments.

Poor Rate to include all Rural charges, and to be levied by County Council.

Local rates in County Boroughs to be raised by Council. How Poor Rate is to be raised, and what expenses are chargeable thereto.

Local Rates in Urban Districts. Council is to raise the County and Union charges as a Poor Rate. Method of meeting Council's own expenses.

Town Rate in Towns not Urban Districts.

Simplification of law relating to municipal government.

period, and when the whole amount to be raised in the year has thus been ascertained, all proceed to apportion it in the following manner:—

After deducting the Government grants (other than the agricultural grant) to a share which Urban Districts may be entitled, the County-at-large and Union charges to be levied off Urban Districts, together with any other Urban charge, will be apportioned among the Urban County Districts in the county.

The portion not so apportioned, together with the amount of Rural District charges will then be divided between the Agricultural Land in the County, Union, or District and the other rateable hereditaments therein according to valuation.

From the portion assigned to Agricultural Land there will be deducted the sum payable out of the Agricultural Grant to the Council in respect of the County-at-large, Union, or District charges as certified in the standard financial year, and the balance remaining after that deduction plus the proportion of any separate charges ("excluded charges") will be the amount to be levied off the agricultural land.

The portion of the estimated expenditure for the year, including the proportion of any separate charges ("excluded charges") to be raised off hereditaments other than agricultural land, will not be subject to any deductions.

21. The Council are to raise the several amounts not apportioned to an Urban District by means of the Poor Rate, and are to make that Poor Rate twice a year, either prior to or at the beginning of the first six months and second six months of the local financial year.

22. The Council of a County Borough are to receive the estimate of expenses of the Board of Guardians for so much of the Union as lies within their district in the same manner as a County Council, and the expenditure incurred in meeting these expenses of the Guardians or in connexion with the Poor Rate are to be defrayed out of the Poor Rate, which will be made, collected, and recovered by the Council in the same way as the Board of Guardians used to do prior to the passing of the Local Government Act.

The Council may make one Poor Rate for the whole financial year, and collect it in equal instalments, one moiety for each half year.

With respect to the expenses charged to other rates leviable by the Council of a County Borough, the only change made by the Act is the provision that the expenses incurred in relation to the business transferred to the Council by the Act, or in execution of the Act, or as incidental to their powers and duties as a County Council, are to be defrayed out of the Poor Rate, where the like expenses have hitherto been defrayed out of a rate levied by the Council, either as County Cess or under enactments relating to County Cess. The expenses incurred under the Public Health Acts are not affected by the Local Government Act.

23. The Urban District Councils, on receiving from the County Council the demand for their proportion of the County-at-large, Urban, and Union charges, are to raise by means of a Poor Rate those expenses, together with the expenses incurred in connexion with the Poor Rate. For this purpose the business of the Guardians as regards making, collecting, and recovering the Poor Rate within the district is transferred to the Urban District Council. The Council are to make the Poor Rate twice a year, either immediately prior to or at the beginning of the first six months and second six months of the local financial year, and are to pay over the amount required by the County Council on demand. It is questionable whether a local Act, by which County-at-large charges have been placed on a rate other than Poor Rate, is repealed by this provision of the Local Government Act.

The expenses incurred by the Urban District Council in respect of the business transferred to them by the Act, or in the execution of the Act, are to be defrayed from the fund or rate out of which the costs of paving and cleansing the streets are or can be defrayed, and not from the Poor Rate. The other expenses of the Urban District Council, including those under the Public Health Acts, are not affected by the Act.

24. Town Commissioners of towns not Urban Districts continue to levy their Town Rate as heretofore, and the Act does not affect their powers in this respect. The County Council will, however, levy the County or District rate in such towns, and they will be the only local government areas over which two rating Authorities will have control.

25. The law relating to municipal government has been simplified by the repeal of the Lighting and Cleansing Act of 1828, and the abolition of Municipal Commissioners in the town of Carrickfergus. The towns previously under the Act of 1828 and the urban portion of the old county of the town of Carrickfergus have been placed under the

APP. I.

Abolition of
counties of cities
and towns.

Union rating.
Poor Rate will
in future be raised
equally over the
whole Union and
not over each
Electoral Division.

Imperial grants in
aid of local rates.
A fixed proportion
of Imperial funds
is now given,
instead of certain
annual grants.
Increase in total
amount of
Imperial aid and
additional charges
to be met.

Towns Improvement Act of 1854, and consequently the governing bodies of all municipalities in Ireland are now constituted either by the Municipal Corporation Act, or the Towns Improvement Act, or by local Acts (which are practically of the same character as the Towns Improvement Act).

26. Counties of cities and towns are no longer recognised as local entities, and become merged either in the new County Boroughs or in the adjoining Administrative Counties.

27. An important change, already referred to, has been introduced in the form of Union rating and the transfer of the power of making Poor Rates from Boards of Guardians to Councils of Counties, County Boroughs, and Urban County Districts. Hitherto the unit of rating in Unions was the electoral division, with the result that in many cases the division most burdened with poor and least able to support them had to bear the heaviest expense. Now all Poor Law charges are payable out of a common fund raised equally over the whole Union, and the benefit of the Agricultural Grant is more equably diffused.

28. The State subventions are no longer paid by means of annual grants voted by Parliament, but by the diversion of a fixed proportion of Imperial funds to local purposes. The contributions by means of annual grants towards—

- (a) The salaries of medical officers of workhouses and dispensaries;
- (b) The cost of medicines and medical appliances in workhouses and dispensaries;
- (c) The salaries of schoolmasters and schoolmistresses;
- (d) The salaries of sanitary officers;
- (e) The maintenance of pauper lunatics in lunatic asylums—amounting to about 244,000*l.*, have ceased, and will in future be defrayed out of certain local licence duties, as specified in the Third Schedule to the Act, which are estimated to produce 200,000*l.* As this sum would fall short of the amount required, a fixed annual grant of 79,000*l.* from the Treasury is also to be paid over to the local Authorities, making in all 279,000*l.*, or thereabouts. Some additional charges, however, have to be met out of this sum, namely—
- (f) One-half the salary of one trained nurse in each workhouse;
- (g) One-half of the excess over 6*d.* in the *£* of a rate levied by a County Council for any area for the purpose of meeting a railway or harbour guarantee given before the passing of the Local Government Act; and
- (h) A sum not exceeding 2*s.* a week in aid of the maintenance of chronic and harmless lunatics in an auxiliary lunatic asylum.

If the amount of this State grant is insufficient to meet the sums payable thereout, those sums are to be proportionately abated as directed by the Lord Lieutenant, and if the grant is more than sufficient, the excess is to be accumulated and applied to meet any future deficiency, and subject thereto to be applied in such manner as Parliament directs.

The Probate Duties or Estate Duties grant will continue to be paid as hitherto. The portion of the Custom and Excise Duty grant, amounting to 78,000*l.*, hitherto payable to the Commissioners of National Education by section 3 of the Local Taxation (Customs and Excise) Act, 1890, is, by section 15 of the Agriculture and Technical Instruction (Ireland) Act, 1899, placed at the disposal of the Department of Agriculture.

Any other annual parliamentary grants will apparently be made as heretofore, including the "Exchequer contribution" of 40,000*l.*

Re-valuation of
County Boroughs,
and change of
basis of valuation
of lands in such
Boroughs to net
annual letting
value.

29. The Local Government Act provides for a general revaluation of rateable hereditaments in a County Borough on the application of the Council, who are to pay a portion of the costs not exceeding one-half. An important change is introduced in the mode of valuation by applying to the valuation of the land in the County Borough the principle upon which houses and buildings are valued, namely, the net annual letting value and not the average prices of agricultural produce.

Provision in such an event is made for the apportionment of Union charges where a Union is partly within and partly without a County Borough, and in the case of the Dublin Metropolitan Police District and Bridge Area.

County Councils.
Borrowing powers
of, limitation
of period of
repayment and of
amount of debt.

30. The powers of the County Council in respect to the borrowing of money have been consolidated and extended beyond those enjoyed by the Grand Juries.

Instead of numerous Acts of Parliament enabling Grand Juries to borrow for different purposes, subject to varying conditions as to periods of repayment and rates of interest, one complete system has been laid down with a maximum limit of 60 years for repayment and no limit as to rate of interest. The consent of the Local Government

Board to all loans by County Councils is made necessary and the Commissioners of Public Works are empowered to lend at such rates as the Treasury may fix for the purpose of any work for which a County Council may borrow.

A County Council cannot, however, borrow beyond the amount of one-tenth of the valuation of the rateable property in the county except where it is for the purpose of a lunatic asylum, or in pursuance of a provisional order made by the Local Government Board and confirmed by Parliament.

31. The power of Boards of Guardians to borrow has also been extended, but the consent of the Local Government Board to the exercise of such power is made necessary. The maximum limit of repayment is fixed at 60 years, but the total debt cannot exceed one-fourth of the valuation of the Union. The Local Government Board may, however, by provisional order extend the power of borrowing to double the amount authorised. The Commissioners of Public Works will grant loans to Guardians for the purpose of works of improvement involving additions to or alterations of existing workhouse buildings but will not do so for works of maintenance.

Boards of Guardians
Borrowing powers
of. Limitation
of period of
repayment and of
amount of debt.

32. An attempt has been made to enable Councils of Boroughs and other Urban Districts to consolidate the many rates leviable in their district.

Where the Council independently of the Local Government Act could raise a sum by a rate upon the same basis as the Poor Rate, that sum may be raised by the Poor Rate, but as a separate item thereof; and where the Council can make more than one rate on the same basis, but on a basis different from that of the Poor Rate, such rates may be consolidated and made as one rate half-yearly.

Consolidation of
rates in
Boroughs and
other Urban
Districts.
Provisions for.

Inasmuch as the same basis means the same property, the same rateable value, and subject to the same exemptions, it is doubtful whether the power of consolidation will be exercised extensively.

33. From the foregoing statement it will be seen that the Local Government Act, while making many changes in the structure of local government, has left unimpaired, except in one instance, the basis on which the valuation of the country for purposes of taxation has been made.

Summary of
changes brought
about by Local
Government Act

The burden of the rates has been shifted to the occupier, but the rates themselves remain the same, reduced in the case of Agricultural Land by almost one-half, owing to the development of the principle of State subventions in aid of local rates. The annual grants of Parliament in aid of local rates have in many cases ceased, but the aid continues by means of the automatic allocation of portion of the Imperial taxes to specific local requirements.

The number of Rating Authorities has been reduced, and the overlapping of rating powers avoided, while town government has been simplified, and an attempt has been made to have the Urban rates consolidated.

Local Government Board,
Dublin, October 1899.

APP. I.

TABLE I.

RETURN showing for each of the YEARS from 1894 to 1897 (inclusive) the AMOUNT of POOR RATE raised in each UNION in IRELAND, with the AVERAGE POORRAGE of the EXPENDITURE in each of these YEARS, &c.

Note.—In the following Table the Unions are placed in the Counties in which the chief or central place of residence is situated, but there are several cases in which a Union extends beyond the limits of the County in which it is placed.

UNIONS.	Amount of Poor Rate collected and lodged in the Year				Percentage of Expenditure (including Expenditure from Loans) in the Year								Valuation in 1897.	Popu- lation in 1891.	Ten- tative Ac- count of the In- crease.
	1894.	1895.	1896.	1897.	1894.	1895.	1896.	1897.							
I.—PROVINCE OF ULSTER.															
ANTRIM.															
Ardara - - - -	3,711	4,079	4,508	4,770	0 11	0 10	0 10	0 10	147,804	19,655	1 1				
Ballycastle - - -	1,547	1,755	2,060	1,959	1 2	1 3	1 3	1 2	46,131	14,470	1 1				
Ballymena - - -	5,114	4,664	5,098	4,805	1 1	1 1	1 1	1 1	135,131	58,597	1 1				
Ballymoney - - -	1,811	1,990	1,664	1,657	1 1	1 1	1 1	1 1	51,456	31,691	1 1				
Belfast - - - -	54,044	57,512	70,813	56,383	1 6	1 7	1 5	1 5	1,075,905	219,360	1 6				
Larne - - - -	3,755	4,394	3,690	4,067	1 4	1 0	0 11	0 11	127,154	31,390	1 1				
Lisburn - - - -	4,312	4,314	5,137	5,285	0 11	0 11	0 11	0 11	293,490	50,600	1 1				
ARMAGH.															
Armagh - - - -	4,994	5,022	5,612	5,002	0 11	0 11	0 11	0 11	210,815	31,317	1 1				
Lurgan - - - -	6,079	6,139	7,394	7,308	1 1	1 1	1 1	1 0	156,010	38,155	1 1				
CAVAN.															
Ballymahonagh - -	1,898	1,514	1,519	1,264	1 1	1 10	1 10	1 11	40,479	16,751	1 1				
Barraboy - - - -	1,511	1,531	1,716	1,840	1 6	1 5	1 5	1 5	40,813	10,900	1 1				
Cavan - - - -	6,387	6,222	6,660	7,819	1 6	1 6	1 5	1 5	127,455	41,070	1 6				
Cootehill - - - -	1,312	1,136	1,169	1,473	0 10	0 10	0 11	0 10	74,501	15,690	1 1				
DONEGAL.															
Ballykannon - - -	4,345	3,135	2,808	3,198	1 9	1 8	1 9	1 7	51,222	17,110	1 1				
Donegal - - - -	1,758	1,836	1,931	1,611	1 5	1 5	1 4	1 6	15,065	22,350	1 1				
Dunmaghy - - - -	1,110	970	1,005	958	1 6	1 5	1 4	1 7	11,476	15,690	1 1				
Glenties - - - -	3,058	1,940	1,657	1,948	1 10	1 11	1 11	1 5	21,131	34,303	1 1				
Inchkeeran - - - -	3,045	1,930	1,079	1,095	1 6	1 1	1 0	1 0	39,407	30,419	1 1				
Letterkenny - - -	1,616	1,375	1,181	1,440	1 4	1 4	1 3	1 1	11,119	13,950	1 1				
Millfield - - - -	1,515	1,156	1,013	1,019	1 1	1 1	1 1	1 1	30,204	21,308	1 1				
Stranorlar - - - -	1,404	1,117	1,459	1,118	1 4	1 3	1 3	1 3	30,560	15,100	1 1				
DOWNS.															
Bushbridge - - -	5,746	5,031	6,317	6,417	0 11	0 11	0 11	1 0	181,004	47,541	1 1				
Dowpatrick - - -	5,008	5,166	5,692	5,137	0 11	0 11	0 10	0 11	198,395	47,116	1 1				
Wicklow - - - -	1,993	1,961	1,179	1,291	1 2	1 4	1 3	1 4	46,403	12,181	1 1				
Newry - - - -	5,101	7,661	9,505	6,261	1 1	1 4	1 1	1 1	174,310	51,110	1 1				
Newtownards - - -	6,116	6,115	9,381	6,351	1 1	1 1	1 1	1 1	157,401	42,116	1 1				
FERMANAGH.															
Keshfallon - - - -	1,014	1,391	1,067	1,011	1 0	1 1	1 0	1 0	109,710	36,115	1 1				
Irvinestown - - -	1,110	1,160	1,166	1,006	1 1	1 1	1 1	1 1	40,111	13,111	1 1				
Lisnaskea - - - -	1,511	1,671	1,273	1,558	0 10	0 10	0 11	0 11	59,096	18,006	1 1				

Age T

RETURN showing for each of the YEARS from 1894 to 1897 (inclusive) the AMOUNT OF POOR RATE paid in each UNION in IRELAND, with the AVERAGE POUNDAGE of the EXPENDITURE in each of these YEARS, &c.—continued.

[illegible]

RETURN showing for each of the YEARS from 1864 to 1867 (inclusive) the AMOUNT of POOR RATE raised in each Union in IRELAND, with the AVERAGE POUNDSAGE OF THE EXPENDITURE in each of those Years, &c.—continued.

UNIONS.	Amount of Poor Rate collected and lodged in the Year				Percentage of Expenditure (including Expenditure from Loans) in the Year								Valuation in 1867.	Population in 1861.	Value of the Poor Rate in 1867.
	1864.	1865.	1866.	1867.	1864.	1865.	1866.	1867.							
II.—PROVINCE OF MUNSTER.—continued.															
CORK.—continued.															
Midleton	3,510	3,798	4,215	4,913	1 5	1 5	1 4	1 4	49,449	15,791	3				
Skibbereen	4,314	5,378	6,100	5,963	1 1	1 5	1 1	1 1	47,591	48,450	1 1				
Sturl	7,989	8,117	1,825	1,816	1 1	1 0	1 1	1 0	15,396	11,135	1				
Youghal	5,480	5,977	6,038	6,131	1 6	1 7	1 9	1 5	60,122	16,269	5 1				
KERRY.															
Calverton	3,158	3,155	1,569	1,673	1 1	1 1	1 1	1 1	46,000	11,754	1				
Dingle	3,683	3,996	3,191	3,387	1 7	1 9	1 7	1 10	11,096	19,011	1 4				
Kennedy	4,773	5,571	3,666	4,381	1 6	1 8	1 7	1 10	20,073	16,319	1 1				
Killybeg	11,196	11,614	9,445	8,011	1 1	1 1	1 1	1 1	78,311	40,538	1 1				
Lisowal	5,923	5,531	9,560	9,653	1 3	1 4	1 5	1 4	69,104	39,111	1 1				
Valley	10,181	11,358	9,345	10,318	1 1	1 1	1 1	1 1	77,004	44,887	1 1				
LIMERICK.															
Croom	6,081	6,191	6,971	5,350	1 6	1 6	1 7	1 5	61,371	11,539	5 1				
Kinsale	13,000	13,611	15,815	14,011	1 1	1 1	1 1	1 1	115,011	51,161	4 1				
Limerick	10,900	11,101	11,011	11,571	1 1	1 1	1 1	1 1	111,111	61,111	1 1				
Newcastle	6,111	7,111	6,911	7,071	1 6	1 6	1 1	1 1	61,111	11,111	1 1				
Rathkeale	7,111	5,511	5,071	5,311	1 1	1 1	1 1	1 1	61,111	11,111	1 1				
TIPPERARY.															
Borrisokane	1,710	1,511	1,597	1,311	1 1	1 1	1 1	1 1	41,111	9,111	1 1				
Cumshingaun	3,111	3,011	3,111	4,111	1 1	1 1	1 1	1 1	71,111	19,111	1 1				
Cashel	7,111	7,111	8,111	8,111	1 1	1 1	1 1	1 1	101,111	11,111	1 1				
Cleghane	4,111	5,111	5,111	5,111	1 1	1 1	1 1	1 1	61,111	11,111	1 1				
Clonmel	6,111	6,111	7,111	7,111	1 1	1 1	1 1	1 1	71,111	11,111	1 1				
Donagh	7,111	5,111	5,111	5,111	1 1	1 1	1 1	1 1	11,111	11,111	1 1				
Ennis	3,111	4,111	4,111	4,111	1 1	1 1	1 1	1 1	11,111	11,111	1 1				
Thurles	6,111	5,111	6,111	7,111	1 1	1 1	1 1	1 1	11,111	11,111	1 1				
Tipperary	11,111	11,111	11,111	11,111	1 1	1 1	1 1	1 1	11,111	11,111	1 1				
WATERFORD.															
Dungarvan	6,111	6,071	5,714	5,450	1 1	1 1	1 1	1 6	53,441	17,011	1 1				
Kilworth	3,111	4,111	3,757	4,770	1 1	1 1	1 1	1 6	33,011	8,111	1 1				
Lisnaree	4,111	4,041	4,099	4,158	1 1	1 1	1 1	1 5	50,111	15,111	1 1				
Waterford	11,111	11,333	11,350	11,367	1 1	1 1	1 1	1 1	116,011	50,111	1 1				
III.—PROVINCE OF LEINSTER.															
CARLOW.															
Carlow	11,111	11,645	11,611	11,684	1 1	1 1	1 1	1 1	110,098	31,667	1 1				
DUBLIN.															
Balrothery	5,111	6,011	7,157	5,014	1 1	1 1	1 1	1 1	11,111	17,111	1 1				
Dublin, North	11,111	11,111	11,111	11,111	1 1	1 1	1 1	1 1	11,111	11,111	1 1				
Dublin, South	11,111	11,111	11,111	11,111	1 1	1 1	1 1	1 1	11,111	11,111	1 1				
Rathdown	11,111	11,111	11,111	11,111	1 1	1 1	1 1	1 1	11,111	11,111	1 1				

UNIONS showing for each of the YEARS from 1894 to 1897 (inclusive) the AMOUNT of POOR RATE raised in each UNION in IRELAND, with the AVERAGE PERCENTAGE of the EXPENDITURE in each of these YEARS, &c.—continued.

APP. I.

IN IRELAND, WITH THE PAYMENTS MADE BY THE SEVERAL UNIONS TO THE POOR.															
UNIONS.	Amount of Poor Rate collected and lodged in the Year				Percentage of Expenditure (excluding Expenditure from Loans) in the Year								Valuation in 1897.	Population in 1891.	Valuation per Head of Population.
	1894.	1895.	1896.	1897.	1894.	1895.	1896.	1897.							
III.—PROVINCE OF LEINSTER—continued.															
KILDARE.															
City - - - - -	1,074	9,553	8,948	7,907	1 10	1 10	1 10	1 10	1 10	1 10	1 10	1 10	100,542	25,835	4 7
Clonsilla - - - -	6,900	6,179	6,321	6,079	1 5	1 4	1 4	1 4	1 4	1 4	1 4	1 4	116,370	14,981	7 12
Do - - - - -	7,248	5,387	20,104	8,556	1 12	1 12	1 12	1 12	1 12	1 12	1 12	1 12	124,195	36,578	4 1
KILKENNY.															
City - - - - -	5,044	6,616	6,624	6,849	1 1	1 1	1 1	1 1	1 1	1 1	1 1	1 1	71,704	18,445	4 14
Cathcart - - - -	2,595	3,637	3,580	3,399	1 10	1 9	1 9	1 9	1 10	1 10	1 10	1 10	30,044	11,499	5 16
Glennary - - - -	3,831	9,014	10,564	10,311	1 4	1 5	1 5	1 5	1 4	1 4	1 4	1 4	90,797	21,457	3 18
Glennary - - - -	4,004	4,701	4,500	4,777	1 7	1 8	1 8	1 8	1 9	1 9	1 9	1 9	66,048	14,576	4 9
Glennary - - - -	2,022	3,480	3,416	3,350	1 9	1 10	1 10	1 10	1 7	1 7	1 7	1 7	48,456	10,081	4 10
KING'S COUNTY.															
City - - - - -	5,129	4,198	4,081	5,078	1 1	1 4	1 4	1 4	1 7	1 7	1 7	1 7	95,453	18,611	5 15
Glennary - - - -	4,694	5,760	5,685	6,014	1 4	1 5	1 5	1 5	1 5	1 5	1 5	1 5	101,669	18,044	3 12
Glennary - - - -	7,454	7,427	5,148	5,358	1 10	1 10	1 10	1 10	1 10	1 10	1 10	1 10	115,481	24,851	3 7
LONGFORD.															
City - - - - -	4,431	4,398	4,397	4,933	1 11	1 10	1 11	1 11	1 11	1 11	1 11	1 11	61,664	14,640	4 4
Glennary - - - -	6,499	4,711	4,698	4,916	1 7	1 6	1 6	1 6	1 5	1 5	1 5	1 5	85,943	16,944	3 4
Glennary - - - -	5,212	5,996	5,839	5,434	1 3	1 4	1 4	1 4	1 3	1 3	1 3	1 3	60,572	14,964	5 9
LOUTH.															
City - - - - -	5,014	4,946	4,446	4,515	1 4	1 5	1 4	1 4	1 6	1 6	1 6	1 6	95,588	16,778	5 14
Glennary - - - -	14,459	14,433	11,200	11,394	1 4	1 4	1 4	1 4	1 3	1 3	1 3	1 3	106,279	29,818	4 6
Glennary - - - -	5,457	9,079	9,215	9,908	1 0	1 10	1 10	1 10	1 0	1 0	1 0	1 0	115,578	40,144	3 18
MEATH.															
Glennary - - - -	4,457	5,811	5,745	5,361	1 4	1 10	1 10	1 10	1 3	1 3	1 3	1 3	106,047	23,116	11 12
City - - - - -	7,344	5,099	5,339	7,589	1 10	1 10	1 10	1 10	1 10	1 10	1 10	1 10	98,433	18,273	5 17
Glennary - - - -	8,454	9,694	9,411	8,547	1 6	1 10	1 10	1 10	1 6	1 6	1 6	1 6	100,194	16,099	6 4
Glennary - - - -	5,075	5,103	5,207	5,144	1 10	1 10	1 10	1 10	1 10	1 10	1 10	1 10	63,488	17,447	3 14
Glennary - - - -	5,274	5,116	6,559	5,345	1 9	1 10	1 10	1 10	1 10	1 10	1 10	1 10	109,859	16,011	6 16
QUEEN'S COUNTY.															
City - - - - -	4,816	4,849	6,445	5,901	1 10	1 10	1 10	1 10	1 10	1 10	1 10	1 10	81,145	19,080	4 9
Glennary - - - -	6,364	6,611	6,479	6,818	1 10	1 10	1 10	1 10	1 10	1 10	1 10	1 10	100,753	21,451	3 5
WESTMEATH.															
City - - - - -	7,454	6,481	7,084	6,147	1 10	1 10	1 10	1 10	1 10	1 10	1 10	1 10	39,057	29,789	3 0
Glennary - - - -	3,521	4,461	4,384	3,866	1 10	1 10	1 10	1 10	1 10	1 10	1 10	1 10	53,871	9,165	5 16
Glennary - - - -	9,595	9,961	11,393	11,150	1 10	1 10	1 10	1 10	1 9	1 9	1 9	1 9	129,143	30,514	3 4
WEXFORD.															
Glennary - - - -	5,219	7,358	8,565	9,686	1 10	1 11	1 10	1 10	1 11	1 11	1 11	1 11	111,544	32,841	3 6
City - - - - -	4,375	5,198	6,220	4,711	1 5	1 10	1 10	1 10	1 6	1 6	1 6	1 6	30,658	18,116	4 9
Glennary - - - -	9,004	8,973	9,329	8,616	1 10	1 10	1 10	1 10	1 10	1 10	1 10	1 10	101,031	33,544	3 2
Glennary - - - -	7,409	7,359	7,603	7,568	1 10	1 10	1 10	1 10	1 9	1 9	1 9	1 9	108,600	35,143	3 2
WICKLOW.															
City - - - - -	4,811	4,937	5,112	5,197	1 10	1 10	1 10	1 10	1 10	1 10	1 10	1 10	73,618	16,470	4 12
Glennary - - - -	6,116	6,349	9,479	9,169	1 10	1 10	1 10	1 10	1 10	1 10	1 10	1 10	108,141	27,648	4 12
Glennary - - - -	3,987	4,461	4,779	4,711	1 10	1 10	1 10	1 10	1 11	1 11	1 11	1 11	50,370	14,009	3 11

RETURN showing for each of the YEARS from 1894 to 1897 (inclusive) the AMOUNT of POOR RATE raised in each UNION in IRELAND, with the AVERAGE POUNDAGE of the EXPENDITURE in each of those YEARS, &c.—continued.

UNION.	Amount of Poor Rate collected and lodged in the Year				Percentage of Expenditure (excluding Expenditure from Loans) in the Year								Valuation in 1897.	Population in 1891.	Value (less 10/-) of Poor in 1891.
	1894.	1895.	1896.	1897.	1894.	1895.	1896.	1897.							
IV.—PROVINCE OF CON- NAUGHT.															
GALWAY.															
	£	£	£	£	s.	d.	s.	d.	s.	d.	s.	d.	£		
Ballinasloe - - -	5,256	5,210	5,141	5,551	1	17	2	13	1	17	1	7	35,917	20,739	3
Cliifera - - -	3,425	3,097	3,307	4,779	4	1	4	13	3	7	4	4	12,063	40,069	0
Galway - - -	7,656	7,275	7,641	7,049	3	14	3	0	3	4	2	10	66,782	35,719	1
Glenties - - -	3,629	4,200	3,431	3,657	2	10	2	0	1	11	2	0	12,516	21,436	1
Gort - - -	2,040	3,781	3,456	4,273	2	1	2	0	1	2	3	0	43,007	24,260	3
Leathna - - -	4,667	5,183	5,238	5,153	3	6	1	7	1	6	1	5	76,613	56,244	3
Mount Bellew - - -	2,563	2,000	2,380	2,608	1	5	1	7	1	6	1	5	40,450	26,477	2
Oughterma - - -	4,557	3,364	4,096	2,709	3	7	2	10	3	9	3	10	15,580	28,875	0
Portlanna - - -	2,728	2,553	2,500	2,707	1	10	1	9	1	12	2	9	15,336	29,383	1
Tenn - - -	3,247	6,251	6,070	7,618	2	1	2	10	2	10	2	9	76,660	34,630	1
LEITRIM.															
Curlew-Stanion - - -	4,000	3,701	4,115	4,004	2	1	2	10	2	1	2	11	45,657	30,161	1
Harvestfield - - -	3,400	3,215	3,309	2,770	2	1	1	10	1	5	1	11	44,117	25,461	0
Mohil - - -	3,237	3,286	3,603	3,101	2	3	2	10	2	11	2	3	39,304	28,479	0
MAYO.															
Bellina - - -	4,345	5,701	5,611	4,707	2	4	2	12	2	5	2	5	49,324	27,394	1
Ballinacree - - -	3,966	3,283	3,243	3,771	1	6	1	7	1	6	1	7	60,432	24,694	0
Belted - - -	2,057	2,109	1,791	2,097	4	2	4	1	0	5	7	5	10,337	34,333	0
Castlaker - - -	2,255	2,681	3,071	3,271	1	5	1	7	1	10	1	10	46,396	27,021	0
Clannorris - - -	2,657	2,253	2,720	2,459	1	1	1	10	1	5	1	7	41,156	29,444	0
Edin - - -	2,724	2,140	1,652	1,681	2	0	0	3	2	10	3	5	20,487	9,490	0
Swined - - -	4,227	4,706	5,392	5,435	2	10	3	0	2	10	3	10	41,605	45,262	0
Westport - - -	3,750	4,000	3,703	3,330	2	10	2	10	2	10	2	10	44,877	37,321	1
ROSCOMMON.															
Boyle - - -	4,090	4,593	5,127	4,557	1	6	1	9	1	7	1	7	74,381	25,352	0
Castlerea - - -	4,540	4,627	5,100	4,751	1	1	1	10	1	7	1	1	74,232	37,674	0
Roscommon - - -	4,109	4,545	5,021	4,531	1	9	1	10	1	10	1	10	64,559	27,561	1
Brookstown - - -	4,073	3,343	3,512	3,043	1	9	1	10	1	0	1	5	51,003	21,452	0
SLIGO.															
Drumett, West - - -	1,977	2,146	2,214	2,156	1	6	1	7	1	6	1	7	37,111	25,073	0
Sligo - - -	6,080	7,511	7,381	5,000	1	9	1	11	2	0	1	11	104,296	44,154	0
Toberry - - -	3,084	3,044	3,197	3,061	1	11	2	0	1	9	1	11	42,341	22,210	0
SUMMARY.															
ULSTER - - -	157,211	201,246	159,109	106,790	1	10	1	3	1	10	1	10	4,320,500	1,814,817	1
MUNSTER - - -	350,120	359,654	362,845	351,596	2	6	2	6	2	6	2	6	3,473,229	1,287,202	1
LEINSTER - - -	339,395	353,394	363,066	364,299	1	10	1	10	1	10	1	11	4,351,676	1,410,069	0
CONNAUGHT - - -	109,441	121,025	113,141	100,257	2	0	2	0	2	0	2	0	1,381,735	691,149	0
TOTAL, IRELAND	955,167	1,045,320	1,038,161	922,942	1	10	1	10	1	10	1	10	16,526,140	6,704,750	1

TABLE II

APP. I.

RETURN showing for each of the years from 1804 to 1897 (inclusive) the AMOUNT of COUNTY CESS levied in each COUNTY in IRELAND, with the AVERAGE RATE of such CESS in the £, s., &c.

COUNTIES	Amount of County Tax levied in 1897.				Average Rate in the State as regards General Taxes in the Year.					Value of Real Estate in 1897.	Amount of Disbursements for Public Works, Streets, &c., in 1897.	Population in 1897.	Value of Real Estate in 1897.
	1894.	1895.	1896.	1897.	1894.	1895.	1896.	1897.	1897.	1897.	1897.	1897.	
ADAMS	\$1,772	\$1,538	\$1,754	\$1,700	2 1/2	2 5/8	2 5/8	2 5/8	2 5/8	\$1,772,724	280	49,320	2 5/8
ALABAMA	40,935	39,267	39,227	40,315	8 1/2	8 5/8	8 5/8	8 5/8	8 5/8	462,695	—	142,269	8 5/8
CALDWELL	15,432	12,236	12,222	12,445	2 4/8	2 4/8	2 1 1/8	2 1/8	2 1/8	138,700	1,210	49,428	2 1/8
CARROLLTON Co. OF THE TOWNSHIP	2,258	2,447	2,273	2,244	2 5/8	2 5/8	2 5/8	2 5/8	2 5/8	21,079	822	9,223	2 5/8
CLARK	55,571	51,218	51,645	52,108	1 1/10	1 1/10	1 1/10	1 1/10	1 1/10	575,457	2,664	114,947	1 1/10
CLARK	42,540	42,179	42,253	42,282	2 3/4	2 3/4	2 3/4	2 3/4	2 3/4	212,000	8,871	128,662	2 3/4
CLARK	125,574	121,606	124,222	123,460	2 3/4	2 3/4	2 3/4	2 3/4	2 3/4	1,043,444	12,137	302,047	2 3/4
CLARK Co. OF THE CITY	5,008	11,850	10,368	12,750	1 1/10	1 1/10	1 1/10	1 1/10	1 1/10	102,844	—	79,546	2 1/10
CLARK	44,003	51,890	46,811	49,611	2 3/4	2 3/4	2 3/4	2 3/4	2 3/4	500,510	3,713	185,554	2 3/4
CLARK	67,487	70,621	70,116	72,510	1 1/10	1 1/10	1 1/10	1 1/10	1 1/10	268,715	518	207,000	1 1/10
CLARK Co. OF THE TOWNSHIP	2,388	2,557	2,500	2,510	2 1/10	2 1/10	2 1/10	2 1/10	2 1/10	18,840	—	11,473	2 1/10
CLARK	47,678	50,217	45,817	48,382	2 1/10	2 1/10	2 1/10	2 1/10	2 1/10	379,626	234	154,218	2 1/10
CLARK Co. OF THE CITY	45,814	47,048	47,770	48,021	1 4/10	1 4/10	1 4/10	1 4/10	1 4/10	511,259	—	245,981	1 4/10
CLARK	20,800	20,713	20,703	20,800	1 1/10	1 1/10	1 1/10	1 1/10	1 1/10	240,800	1,005	74,720	1 1/10
CLARK	45,005	41,802	41,602	42,202	2 1/10	2 1/10	2 1/10	2 1/10	2 1/10	446,800	945	237,703	2 1/10
CLARK Co. OF THE TOWNSHIP	4,000	4,004	3,747	3,810	2 1/10	2 1/10	2 1/10	2 1/10	2 1/10	32,100	—	13,800	2 1/10
CLARK	30,440	30,200	30,200	30,440	2 1/10	2 1/10	2 1/10	2 1/10	2 1/10	254,800	16,400	119,400	2 1/10
CLARK	34,340	32,360	32,360	34,340	1 1/10	1 1/10	1 1/10	1 1/10	1 1/10	330,700	—	70,300	1 1/10
CLARK	21,000	21,001	21,000	21,001	1 1/10	1 1/10	1 1/10	1 1/10	1 1/10	242,000	—	70,211	1 1/10
CLARK Co. OF THE CITY	5,800	5,213	5,213	5,800	2 1/10	2 1/10	2 1/10	2 1/10	2 1/10	17,878	—	10,200	2 1/10
CLARK Co. OF THE CITY	21,000	21,001	21,000	21,001	1 1/10	1 1/10	1 1/10	1 1/10	1 1/10	242,000	1,600	65,300	1 1/10
CLARK	19,980	19,980	19,980	19,980	2 1/10	2 1/10	2 1/10	2 1/10	2 1/10	137,718	7,700	78,000	2 1/10
CLARK	40,440	41,440	41,440	40,440	1 1/10	1 1/10	1 1/10	1 1/10	1 1/10	465,124	981	211,707	1 1/10
CLARK Co. OF THE CITY	2,605	4,008	4,008	2,605	2 1/10	2 1/10	2 1/10	2 1/10	2 1/10	90,000	—	37,102	2 1/10
CLARK	40,001	41,440	41,440	40,001	2 1/10	2 1/10	2 1/10	2 1/10	2 1/10	465,124	5,442	207,886	2 1/10
CLARK	24,881	13,689	22,268	14,880	1 1/10	1 1/10	1 1/10	1 1/10	1 1/10	355,188	30	56,407	1 1/10
CLARK	36,730	16,621	16,610	16,610	1 1/10	1 1/10	1 1/10	1 1/10	1 1/10	229,261	—	50,268	1 1/10
CLARK	41,204	56,010	56,000	56,000	2 1/10	2 1/10	2 1/10	2 1/10	2 1/10	317,000	8,148	113,404	2 1/10
CLARK	36,730	36,314	26,685	26,282	1 1/10	1 1/10	1 1/10	1 1/10	1 1/10	365,216	—	70,007	7 1/10
CLARK	36,730	36,314	26,685	26,282	1 1/10	1 1/10	1 1/10	1 1/10	1 1/10	365,216	—	70,007	7 1/10
CLARK	36,730	36,314	26,685	26,282	1 1/10	1 1/10	1 1/10	1 1/10	1 1/10	365,216	—	70,007	7 1/10
CLARK	36,730	36,314	26,685	26,282	1 1/10	1 1/10	1 1/10	1 1/10	1 1/10	365,216	—	70,007	7 1/10
CLARK	36,730	36,314	26,685	26,282	1 1/10	1 1/10	1 1/10	1 1/10	1 1/10	365,216	—	70,007	7 1/10
CLARK	36,730	36,314	26,685	26,282	1 1/10	1 1/10	1 1/10	1 1/10	1 1/10	365,216	—	70,007	7 1/10
CLARK	36,730	36,314	26,685	26,282	1 1/10	1 1/10	1 1/10	1 1/10	1 1/10	365,216	—	70,007	7 1/10
CLARK	36,730	36,314	26,685	26,282	1 1/10	1 1/10	1 1/10	1 1/10	1 1/10	365,216	—	70,007	7 1/10
CLARK	36,730	36,314	26,685	26,282	1 1/10	1 1/10	1 1/10	1 1/10	1 1/10	365,216	—	70,007	7 1/10
CLARK	36,730	36,314	26,685	26,282	1 1/10	1 1/10	1 1/10	1 1/10	1 1/10	365,216	—	70,007	7 1/10
CLARK	36,730	36,314	26,685	26,282	1 1/10	1 1/10	1 1/10	1 1/10	1 1/10	365,216	—	70,007	7 1/10
CLARK	36,730	36,314	26,685	26,282	1 1/10	1 1/10	1 1/10	1 1/10	1 1/10	365,216	—	70,007	7 1/10
CLARK	36,730	36,314	26,685	26,282	1 1/10	1 1/10	1 1/10	1 1/10	1 1/10	365,216	—	70,007	7 1/10
CLARK	36,730	36,314	26,685	26,282	1 1/10	1 1/10	1 1/10	1 1/10	1 1/10	365,216	—	70,007	7 1/10
CLARK	36,730	36,314	26,685	26,282	1 1/10	1 1/10	1 1/10	1 1/10	1 1/10	365,216	—	70,007	7 1/10
CLARK	36,730	36,314	26,685	26,282	1 1/10	1 1/10	1 1/10	1 1/10	1 1/10	365,216	—	70,007	7 1/10
CLARK	36,730	36,314	26,685	26,282	1 1/10	1 1/10	1 1/10	1 1/10	1 1/10	365,216	—	70,007	7 1/10
CLARK	36,730	36,314	26,685	26,282	1 1/10	1 1/10	1 1/10	1 1/10	1 1/10	365,216	—	70,007	7 1/10
CLARK	36,730	36,314	26,685	26,282	1 1/10	1 1/10	1 1/10	1 1/10	1 1/10	365,216	—	70,007	7 1/10
CLARK	36,730	36,314	26,685	26,282	1 1/10	1 1/10	1 1/10	1 1/10	1 1/10	365,216	—	70,007	7 1/10
CLARK	36,730	36,314	26,685	26,282	1 1/10	1 1/10	1 1/10	1 1/10	1 1/10	365,216	—	70,007	7 1/10
CLARK	36,730	36,314	26,685	26,282	1 1/10	1 1/10	1 1/10	1 1/10	1 1/10	365,216	—	70,007	7 1/10
CLARK	36,730	36,314	26,685	26,282	1 1/10	1 1/10	1 1/10	1 1/10	1 1/10	365,216	—	70,007	7 1/10
CLARK	36,730	36,314	26,685	26,282	1 1/10	1 1/10	1 1/10	1 1/10	1 1/10	365,216	—	70,007	7 1/10
CLARK	36,730	36,314	26,685	26,282	1 1/10	1 1/10	1 1/10	1 1/10	1 1/10	365,216	—	70,007	7 1/10
CLARK	36,730	36,314	26,685	26,282	1 1/10	1 1/10	1 1/10	1 1/10	1 1/10	365,216	—	70,007	7 1/10
CLARK	36,730	36,314	26,685	26,282	1 1/10	1 1/10	1 1/10	1 1/10	1 1/10	365,216	—	70,007	7 1/10
CLARK	36,730	36,314	26,685	26,282	1 1/10	1 1/10	1 1/10	1 1/10	1 1/10	365,216	—	70,007	7 1/10
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CLARK	36,730	36,314	26,685	26,282	1 1/10	1 1/10	1 1/10	1 1/10	1 1/10	365,216	—	70,007	7 1/10
CLARK	36,730	36,314	26,685	26,282	1 1/10	1 1/10	1 1/10	1 1/10	1 1/10	365,216	—	70,007	7 1/10
CLARK	36,730	36,314	26,685	26,282	1 1/10	1 1/10	1 1/10	1 1/10	1 1/10	365,216	—	70,007	7 1/10
CLARK	36,730	36,314	26,685	26,282	1 1/10	1 1/10	1 1/10	1 1/10	1 1/10	365,216	—		

APPENDIX II.

Memorandum prepared for the Commission by Mr. Murrough O'Brien. [*See MINUTES OF EVIDENCE, QUESTIONS 23,473-23,624.*]

ART. II.

Griffith's valuation is out of date and was always an uneven valuation.

1. Government Valuation made 40 years ago is now quite out of date. Great inequality of taxation in consequence.

No valuation can maintain its applicability for many successive years.

Changes in local values due to movement of population, changes in prices, increase of taxes, increased cost of labour, extension of railways, development of some districts and decay of others, have altered local values.

2. Griffith's Valuation popularly supposed to have been less than the full letting value. It was made hurriedly, cheaply, and was uneven from the first. Contemporaneous opinion on this point. Reports of the Irish Society of London on the rents of the London Companies' Estates in County Derry compared with Mr. Griffith's statements.

Principle on which Griffith's Valuation was made condemned by the Townland Committee of 1844. Opinions of Mr. E. Senior and Sir G. Cornwall Lewis (Poor Law Commissioners) on Griffith's system. Their objections justified by results.

If Griffith's Valuation was made on the principle laid down in the Act, viz., a scale of prices, there is no reason why it should be higher in Ulster than elsewhere; or why the Tenement Valuation (1852) should be higher than the Townland Valuation (1840).

It really followed the rents which were very uneven, and were particularly high in parts of Ulster, owing to the existence of hand-weaving industry among small farmers and the Irish system of rack-renting.

It included the value of "Tenant-right." See statement of Sir R. Griffith quoted by Townland Valuation Committee, and Sir J. R. Greene to Richmond Commission, qq. 28,314-5.

Valuation of buildings on structural cost an unsound principle.

3. Structural cost of buildings an unsound principle for valuation. Thatched and other frail buildings generally over-valued. Maintenance and insurance not sufficiently taken into account. It is doubtful whether the valuation of land and buildings was made as described by Mr. Barton at qq. 3559-61. [C.—8763, 1896.]

Difficulty of separating value of land and farm buildings fully discussed in debates on Agricultural Rates Act, 1896. Hansard, 1896, pp. 1702-10. In Irish valuation this difficulty was not guarded against as it has been in England by the Agricultural Rates Order, 1896, v. (5).

(As to the history and principles of Griffith's valuations, see Schedule I., p. 187).

Inequality of valuation in Ireland.

4. Agricultural land has fallen in real value more in Ireland than in England. In many cases present letting value of farms is less than rateable value; but land with special advantages of situation—for building, accommodation, pleasure purposes—is very much under-valued.

5. Most country towns and villages in Ireland are decaying. Rental value of many villages and hamlets would be *nil* if properly maintained and Public Health Act requirements enforced.

For condition of such districts see Third Report of Royal Commission on Housing of the Working Classes (Ireland). [C.—4547, 1895.]

Very large sanitary expenditure required in many districts, and rates already so high that they cannot be increased on the poorer and over-valued tenements.

Valuation, basis of. There should be no exemptions.

6. All real property should be fully valued for rating, due deduction being made for maintenance, repairs, insurance, and depreciation.

There should be no exemptions. The exemption of one person is the over-taxation of another. Mr. Goschen's proposal, in 1871, laid down a correct principle. In his speech on the Rating and House Tax Bill he said:—

"We propose to take one intelligible and uniform system, and to render every hereditament, corporeal and incorporeal, liable to these burdens, with the exception only of certain kinds of property of the nature of a rent-charge. The effect of these proposals will be that Government property will be rated; but the rule must be universal. We believe that the claims of Government property to exemption are very considerable, and if claims are set up on behalf of municipal buildings, charities, and the like, it must be clearly understood that it may be necessary for us to reconsider our decision on this point."

7. Levy of rates in Urban Districts on land, railways, &c., at one-fourth of annual value under section 62, Towns Improvement Act, 1854, and section 266, Public Health Act, 1878, is most inequitable. It applies largely to villa and suburban holdings, whose occupants benefit most from local expenditure and are best able to bear it.

Differential rating in urban districts is inequitable.

8. Property not let, or which has a capital but no annual value, should be rated at a percentage on its selling value.

Valuation, basis of. Properties which cannot be valued on the basis of annual value should be valued on capital value.

Many large country houses with parks and pleasure grounds are very much undervalued in comparison with surrounding property.

Vacant and unproductive land in towns should be valued at a percentage on estimated saleable value.

Difficulty of estimating value of buildings which have no annual letting value not insuperable. Value for insurance would be a minimum test in many cases.

In this speech on the Rating and House Tax Bill, in April, 1871, Mr. Goschen said:—

"With regard to another kind of property, where the system of valuation is very imperfect, it is proposed to make a change. There are many buildings and large houses in country districts which cannot be valued on a calculation of what they would be let at from year to year, and which in consequence escape paying on a fair rateable value. It causes a considerable amount of not unnatural irritation among the farmers to see a large neighbouring property escape at a low rating for this reason, while their own smaller farms are, as they complain, highly rated. The Government propose, where it is held to be impossible to get the letting value, to take the selling value, minus a certain percentage, as is done in the case of the Scotch railways, and to take 4 per cent. on their selling value as the estimated rental."

Accordingly, clause 6 of the Bill provided:—

"That where any building cannot be fairly valued according to the annual rent which a tenant might reasonably be expected to pay for it, it shall be valued in the following manner: The gross value of any such building shall be a sum equal to 4 per cent. on the capital sum which a purchaser might justly be expected to give for such a building in its actual state and existing mode of occupation."

9. It would be just to tax incomes and personal property for local purposes, but difficulties of localising income from other sources than land and houses, and of domiciling the income receiver for taxation are very great.

Personal property, rating of very difficult.

Public-houses should be assessed at the full value they bear with the monopoly or privilege of selling drink attached to them.

Licensed premises.

A house tax on houses over a certain value would not be unfair.

Dealing-house rate.

10. Owners of ground rents should be directly rated; but as regards agricultural land this would be a reversal of the policy in the Local Government (Ireland) Act, 1898, which exempts agricultural rental from local taxation.

Ground rents should be rated. Agricultural land. Objections to differential rating of, especially in the case of absentee proprietors.

Danger and bad policy of this principle. Exempted class becomes suspect by the ratepayers. Ratepayers should, on principle, exclude them from the local governing bodies who raise and spend rates.

Injustice of exempting rentals of absentee proprietors from local taxes is obvious, and such exemption is calculated to make those persons odious to the ratepayer.

The following extracts from the *Times* correspondent's letters in 1881 (Landlords and Tenants in Ireland), give some idea of the extent of absenteeism in Ireland.

APP. II.

No correct return has ever been obtained; that referred to was clearly an under-estimate:—

Absenteeism in Ireland, extent of.

"By a Return published in 1871 there were 1,443 absentee landlords, possessing 3,205,000 acres, or 16 per cent. of the area of Ireland; and 4,496 landowners who resided in Dublin, controlling 4,075,000 acres, or 20 per cent. of the total area."

"More than half the area, especially of some of the western counties, is held by men who do not spend one week a year among their tenantry, who know nothing of their condition and wants, who contribute little or nothing to private or public charities. From one poor western county, where the tenants do not average 10*l.* of annual rent, nearly 100,000*l.* is every year carried out of the county by six of the principal absentee owners."

"No wonder that at frequently recurring intervals the demand is made that absentees should be taxed."—p. 8.

"The evils of absenteeism are just now widely expatiated upon; the years are reckoned during which the Marquess of Hertford regularly withdrew from his estates 50,000*l.*, to be spent abroad; the paltry sums are detailed which are devoted to the benefit of many estates and the neglected people struggling upon them."—p. 100.

"Belates in Sligo present a large proportion of absentees, who withdraw large rentals from the country, who spend little in developing their inheritance, and relegate their authority to agents more or less competent, and sometimes non-resident."—p. 187.

"The Western Counties are the stronghold of absenteeism. In Mayo, for example, nine owners hold upwards of 20,000 acres each, amongst them draw annually 100,000*l.* from this poor western county, and spend not one-tenth of their income on their estates."—p. 254.

The agricultural grant provisions of the Local Government Act exempt such owners who fulfil no duties whatever as citizens or landlords in the districts from which they draw their incomes, from all local burdens. This exemption must eventually tend to increase their rentals at the expense of their tenants and of the general body of taxpayers, out of whose pockets the taxes remitted to them must be taken.

"Grants in aid" wrong in principle.

11. "Grants in aid" wrong in principle. Local expenditure connected with local revenue to secure necessary economy. "Grants in aid" described truly by Lord Farrer as "the easy and cowardly plan of subsidising local bodies by doles from Imperial funds, ill selected, ill applied, and ill distributed—doles demoralising at once to the giver and to the receivers."—Mr. Goschen's Finance, preface, p. 7.

"No step more certain to increase our expenditure in poor relief than to open the floodgates of the Consolidated Fund."—Mr. Goschen, 1871. Hansard, April 3rd, 1871.

Annual revision of valuation insufficient and incomplete. Desirable to connect Local Authorities with valuation.

12. Annual revision of Irish valuation very insufficient and incomplete. Value of land cannot be revised. Names of owners and occupiers of land should be kept up to date; also boundaries and areas of tenements. This is not done except upon notice from the ratepayer, transmitted through the union officials to the Valuation Office in Dublin.

Names, areas and boundaries have often not been revised for 30 years.

Tenement maps not revised; where several former tenements now form one farm, the original tenements usually are preserved on map, causing much confusion.

In Rural Districts, valuation of houses is rarely revised, because ratepayers do not know that they can be, or how. Houses that have disappeared or are in ruins often remain for years on rate books.

It would be desirable to connect the District and County Councils directly with the valuation and to have a resident revising surveyor in each District.

13. Complete re-valuation of Ireland urgently needed to secure equality of taxation. Mr. Barton's estimate of cost at qq. 3475-9,* in my opinion, insufficient. Tenement valuation cost twelve times as much as estimated by Griffith. Periodical revision necessary, and should be provided for at periods of not less than five years.

As to re-valuation, it would be most desirable that a completely new assessment should be made of the whole country on the same principles as are adopted for the rest of the United Kingdom. Where the object of legislation, the circumstances, and principles, are identical, legislation should be uniform.

Re-valuation urgently needed. Cost of. Principle of letting value should be adopted as the basis and valuation should be made by Local Bodies and not by a Central Department.

* [C.—8763, 1896.]

APP. II.

Necessity of Periodical revision of valuation, and, in certain cases, of having expert surveyors.

This should be done by Assessment Committees appointed by the County Councils and other Local Governing Bodies, and not by a Central department like the Valuation Office. Local administration is more intelligent and acute than departmental, and is worked with greater efficiency and economy.

Local knowledge is essential for the ascertainment of real values, and cannot be dispensed with, or supplied by a department of the Central Government. The Commissioner of Valuation should have a right of appeal, and, if the Local Assessment Committees desired, the staff of the Valuation Office should be employed to make a provisional valuation for the approval of the Assessment Committees, and subject to their confirmation.

The aid of expert surveyors would be necessary, but if there was sufficient public spirit in the district, Assessment Committees should do most of the valuation.

14. A difficulty, which should not be lost sight of, exists as to any new valuation of agricultural land. A re-valuation is being made of a considerable part of the agricultural area of Ireland by the Land Commission for the purpose of fixing fair rents under the Land Law Acts.

For this purpose an estimate is made of the fair rent of each farm on the assumption that all improvements thereon belong to the landlord. This ought to correspond to the gross value in England, but the principles on which this gross fair rent is estimated have not been clearly laid down by the Courts, nor is there any general agreement as to them by those who are fixing fair rents.

(See Schedule II., p. 194.—Comparison of the Principles of Valuation in England and Ireland.)

Moreover, this Land Commission valuation is not made for the whole agricultural area of Ireland, but only for those farms where the parties do not agree on the rent.

The Land Commission valuations could, therefore, only be taken for the farms that have come under its review, and as a standard for adjoining farms in the same district.

If these values were not taken as the basis for the future rateable value, it is evident that they might be appealed to in case of a new assessment being questioned.

It would be an unnecessary expense to have the boundaries of these holdings ascertained afresh and the premises re-valued by the Valuation Office, an official valuation having already been made.

If the Land Commission valuations are to be used, the work of taking out these valuations, recording them, and laying down the tenements valued on new maps should be commenced at once.

15. Mr. Barton's proposal (qq. 3306-10)* to take as the rateable value the judicial fair rent, plus a percentage on the sum paid for "tenant-right," would not be just; for the amount paid often includes stock, growing crops, implements and furniture on farm, as well as tillages, unexhausted manures, &c.

It is often also a "fancy price" paid by an adjoining occupier.

Tenant-right is personal property, and should not be rated as realty.

16. It is most desirable that the Local Councils should be the Assessing Authority for their districts, and that the ratepayers should know how the assessments are made. It will be the interest of each ratepayer to see that his neighbours are fully assessed, and the necessity of uniform assessment, and the justice of equal taxation will be impressed upon them. Information as to local values will be more easily obtained than if the assessment was made by a Government department.

17. Assessment Committees should have the fullest power of requiring returns of rents payable or receivable, of sales and purchases, and all other information throwing light on the real value of rateable property. Publicity is necessary to economy and purity of financial administration, and, therefore, the Valuation Lists should be printed and on sale; also the annual budgets and accounts of the Local Bodies.

Demand Notes should inform the ratepayers where and at what price Valuation Lists and accounts could be bought. As a rule, spending departments like to give as little information as possible, because criticism gives trouble, and publicity checks misapplication.

18. Demand Notes should be served through the post. Discounts should be given on payments made before appointed day, as is done in the case of certain towns

Agricultural land. Its valuation of "Fair rents" are now fixed by Land Commission in certain cases and it would be an unnecessary expense to re-value in these cases.

Agricultural land. Revaluation of. The value of "tenant-right" should not be included in the valuation.

Valuation should be made by Local Bodies.

Assessment Committees should have power of obtaining returns of rent and other information. Valuation Lists and local accounts should be printed and on sale.

Rates, payment and collection of

* [C.—6763, 1898.]

described by other witnesses, or penal interest should be required on all payments made after that date.

Collecting Authorities should have as ample powers of collection and enforcing payment summarily as the law can give them.

August 1899.

ADDITIONAL MEMORANDUM.

Re-valuation of
Ireland.
Suggestions.

I hope that the Commission will see their way to make substantially similar recommendations for assessment and rating in Ireland to those made in their first Report* (p. 40) for England and Wales.

They would tend to secure equality of taxation between ratepayers and uniformity of principle between the two divisions of the United Kingdom; statistical and financial comparisons would be facilitated and made on a true basis.

I suggest that the following recommendations, numbered as in the Report, pp. 40-41, suggested alterations and additions being in italics, ought to be made as regards Ireland.

1. One Valuation Authority for each County, and one valuation for all purposes.
5. Valuation Districts to be made by the County Authority, and District Valuation Committees to be appointed by that Authority—*any ratepayer to be eligible as member of an Assessment Committee.*
6. Guiding instructions (such as those handed in by Mr. H. P. Cleaver, p. 86 of the Appendix to Vol. I.)† to be issued by the County Authorities to District Committees. *General instructions to be prepared by the County Authorities and the Commissioner of Valuation, and subject to his final approval. Gross and net values to be shown for every tenement. Valuable sites to be measured, not computed from maps. Land covered with buildings not to be valued as land and buildings.*
7. Valuation Lists to be prepared by professional surveyors, or by the Commissioner of Valuation if required by the County Authority.
8. Re-valuations to be made every five years; Provisional and Supplemental lists every year.
9. Representative of the Inland Revenue (i.e., Valuation Commission official), should have the right to attend meetings of Valuation Authorities and Committees, and to object.
10. A maximum scale of deductions to be enacted.
11. Owners and occupiers should be required to make returns of rent paid and other particulars of value; and the Land Commission should be required to furnish all particulars asked for of judicial rents fixed or agreed on.
- 12, 13, 14. District Committees to consider and revise Valuation Lists; to submit them to the County Authorities for final approval and publication; such approved lists to be final, subject to appeal.
15. Special notice of any increase to be sent to ratepayer affected, who should have a right to object, in person, or by any representative, professional or otherwise, before the Valuation Authority.
16. Appeals against finally approved lists should be to the Commissioner of Valuation, whose decision should be final as between ratepayers and the Valuation Authority. The Commissioner of Valuation to have power to state a case on any principle or point of law for the High Court of Appeal.
17. Special properties, such as railways, canals, mines, tramways, docks, gas, water, and electric works to be valued in *cumulo* by the Commissioner of Valuation; the gross value to be distributed on the mileage system between the valuation districts affected; appeals lying to the High Court of Appeal as to principles and questions of law, but not as to amount.

* [C.—0141, 1899.]

† [C.—8705, 1898.]

SCHEDULE I.

MEMORANDUM AS TO GRIFFITH'S VALUATION AND THE PRINCIPLE ON WHICH IT WAS MADE.

1. The valuation at present in force for taxation purposes, both local and Imperial, is commonly known as Griffith's Valuation. It was commenced in 1852, and finished about 1866.

Practically no changes have been made in this valuation, except additions for new buildings, railways, and such works, striking out buildings which have disappeared, and occasional variations in the value of buildings structurally altered, or manifestly diminished in value.

The valuation of land, as distinguished from buildings, has remained unchanged, and practically cannot be changed.

2. A valuation made 40 years ago must now be, and has been for a long time, quite out of date.

Changes in local values due to movement of population, changes in prices, increase of taxes, increased cost of labour, extension of railways, development of some districts and decay of others, have altered local values. Great inequality of taxation prevails in consequence.

The following extracts from the Reports of two Royal Commissions, and of the Land Commission, show that this inequality has been recognised for many years by competent authorities.

It is to be noted that the prevalent idea in Ireland is that the valuation is the standard of what the value of real property ought to be, not a record of what values really are.

(a.) *Bessborough Commission Report, 1850, par. 64* :—

"If anything has been clearly established on evidence during this Inquiry, the fact that the present Government valuation is not a trustworthy standard for the settlement of rents, has been most thoroughly demonstrated."

"Not a trustworthy standard for the settlement of rents."

(b.) *Housing of the Working Classes Commission, 1885, Third Report, p. 13 and p. 14* :—

"The system of valuation in Ireland is peculiar. The result is, that the valuations have become very uneven. Thus the poorest districts are said to be overtaxed, while the wealthier districts are undertaxed, and the local authorities who have the expenditure of the rates have nothing to do with the matter."

"The valuations have become very uneven."

"Your Majesty's Commissioners recommended that the present system of valuation be revised, and that a periodic and equal system of valuation be substituted."

(c.) *Land Commission Annual Report, 1889* :—

"Griffith's Valuation, intended for purely fiscal purposes, was carried out in the years ranging from 1853 to 1866, and the original variances which it discloses arising from the different periods at which it was made in the respective districts, as well as the great changes that have occurred in the circumstances of Ireland since its promulgation, lead us to regard it at the present day as an altogether untrustworthy basis to proceed upon in estimating a fair rent in individual cases."

"An altogether untrustworthy basis for estimating fair rents."

3. Before the Tenement Valuation of 1852, Griffith had made a Townland Valuation of Ireland. Both valuations were professedly made on the same principle with reference to the prices of agricultural produce.

Griffith's valuation. Manner in which it was made and its unreliability.

APP. II.

It is a mistake to suppose that Griffith's Townland and Tenement valuations were carefully made by skilled and well-paid expert surveyors. The following statements are based on evidence given to a Select Committee in 1869 which enquired into the Valuation Office and system.

Beyond issuing his well-known instruction, Griffith took but a small part in these valuations.

Before he took up this work he was a mining engineer, and Professor of Geology to the Royal Dublin Society. While the Valuations were in progress, he was also employed as Government Road Engineer, Railway Commissioner, Shannon Navigation Commissioner, Relief Works Commissioner, Boundary Commissioner, and Chairman of the Irish Board of Works.

His assistants were selected, without any test of competency, from persons employed by landlords and agents to value estates. (Q. 1335.)

It was chiefly the same men who made the Townland and Tenement valuations. The surveyors and valuers were paid about 5s. a day—some as low as 2s. 6d. (Q. 82.)

In 1860 the Treasury required that anyone appointed to this work should be conversant with five books of Euclid. (Q. 24.) This was the only test of competency.

The following circular was sent out when some additional valuers were required. (1868):—

"Candidates for appointments as valuers of land, buildings, and other descriptions of property, will be required to be examined by, and obtain certificates of, the Civil Service Commissioners, in reading, writing, and arithmetic—the arithmetic to include the first four rules, and reduction, proportion, and practice." (Qq. 1010, 4944-5, and 4968).

In making the Townland valuation, landowners from every barony were associated with Griffith. (Q. 1402.)

He sent copies in manuscript of his valuations in every instance to landowners and agents for criticism. (Q. 1414.)

He said that he formed his standard of valuation in the north (in Londonderry), where he spent three months in the field with valuers, apparently learning something about agricultural values.

Griffith's valuation professed to lay down what ought to be the value of property, instead of ascertaining from experience what it really was. He said that he introduced into Ireland "*a system of valuation based on the composition of the subjacent rock*." (Q. 5206.) Geological considerations have, of course, no relation whatever with the value of land.

His estimate of what real estate ought to be worth was unfortunately eagerly adopted by landowners and agents—"it was used as a criterion everywhere" (Q. 1418), he said, and "put an end to all other valuations." (Q. 1751.)

His statement in 1841 that the Townland valuation was 25 per cent. below the letting value was transferred and quoted as applicable to the Tenement valuation, which was much higher, though purporting to be made on a scale of prices on the whole lower.

4. From the history of Griffith's valuations, and from continual examination of it, and comparison with rentals paid, I have no doubt that it was always most uneven, not only as regards adjoining districts, but for farms in the same district.

It was made hurriedly, cheaply, and carelessly; professedly on a new principle, condemned by men of great experience in such matters, and different from the principle adopted for assessments, not only in Great Britain, but in all other countries where the principles of assessment and taxation have been studied.

Sec. 11 of the Valuation Act, 1852, enacts that the valuation on the scale of prices is to be made on the assumption of the tenant paying all the taxes, but in the examples given in Griffith's instructions no allowance is made for the taxes, and it is impossible to say how far they were taken into account.

5. Griffith's remarks as to the proportion his valuation bore to the real letting value are not confirmed by an examination of rentals actually paid at the time of his valuations.

In a communication, dated 1841, quoted in the Report (p. IV.) of the Committee of 1844, Mr. Griffith said:—

APP. II.

Relation of Griffith's Valuation to rack rent value.

"I have to observe that our valuation is about 25 per cent. under the full or rack-rent value, but very near that of many of the principal proprietors. Thus, in Ahanloo parish, County Derry, the valuations of the town lands rarely differed so much as 1s. in the £ from the proprietors' rental; the same fact was observed respecting the rentals of the different London companies."

But excessive and exorbitant rents were the rule at that time in that district.

Reports of depositions of the Irish Society of London (the chief owner from whom the London companies derived their estates in Derry) make the following observations on the rents on the Companies' estates about this time, showing that the rentals of the principal proprietors, the Companies, were excessively high and oppressive:—

(Clothworkers, 1841.) "Those who did not hold leases were rack-rented and paid the highest amount that could be obtained from them."

(Ironmongers, 1841.) "Tenants who have no leases are heavily rented."

(Skinners, 1841.) "Estate capable of great improvement. The late lessee seemed to look on this vast tract as a property in which his only interest was to realise the largest possible income."

(Grocers, 1841.) "The agent appears to be more intent upon realising a large income than ameliorating the condition of the tenants."

(Goldsmiths, 1841.) "The tenants are made to pay very high rents, and the cottiers live in perfect hovels."

These reports do not bear out Mr. Griffith's statement as to the relation between his valuation and the rentals of the Companies.

The rental of the Manor of Sal. (County Derry) covering about 21,000 acres, was, in 1845, 11,034l. 12s. It was 15 per cent. higher than the Townland valuation, made about that time, which for the same lands amounted to 9,596l. 19s. The Tenement valuation of the same lands, 13,339l., was 39 per cent. higher than the Townland valuation, and 21 per cent. higher than the rental. (See Table on p. 192.)

6. The Committee of 1844, on the Townland valuation of Ireland, condemned emphatically the principle proposed to be introduced by Mr. Griffith, which he described as "a system of valuation based on the composition of the subjacent rock" (Committee, 1844, Q. 5206).

Griffith's valuation. Principle of, condemned by Townland Valuation Committee, 1844. Opinion of Sir George Cornewall Lewis, Mr. Senior and Sir R. Giffen.

This Committee recommended (Report, p. 10) "that Mr. Griffith be instructed not to continue his valuation upon the principle he has hitherto followed."

Mr. G. C. Lewis (Poor Law Commissioner and afterwards Chancellor of the Exchequer) said (Q. 1726): "I am unable to understand the principle laid down . . . that the value of land is to be determined by its productiveness ascertained according to a scale of prices—I have great difficulty in conceiving how the productiveness of land can be taken as the test of its value independent of the annual rent, or of the value of the fee simple. The Committee will see to what absurd consequences the principle would lead—land in the midst of a desert might be extremely productive, and, nevertheless, would be devoid of value. In a new colony, land might be extremely productive, and yet, from the absence of demand, absolutely worthless."

Mr. Senior was of the same opinion; at Q. 1018, he said: "I consider the Poor Law valuation a far sounder principle, inasmuch as it affords a self-acting test which the other does not." At Q. 1023 he said "Though Mr. Griffith does not avow the element of rent, I believe he is in fact really guided by it," and as to rent, "I take it a smaller portion of the produce remains with the tenant in Ireland than in Scotland or England."

To the Committee on Taxation in 1864 Mr. Senior said, in answer to Qq. 5176-7, that Ireland was much higher valued than England.

Sir R. Giffen expressed the same opinion in 1895 to the Financial Relations Commission. At Q. 7658 he said: "I considered that question a good many years ago, and the conclusion to which I came then was that on the whole I thought Ireland was more strictly valued."

ART. II.

Sir G. C. Lewis strongly urged on the Committee of 1844 the undesirability of making the valuation so that it might be used as a guide to what rent ought to be. At Q. 1743, he said: "I should particularly object to any such valuation being constructed with a view to furnishing a scale of reference for the determination of rent—any Government functionary constructing a valuation who should attempt to influence the letting of land—would very far exceed his proper province and functions." And at Q. 1768, "It would be highly inexpedient for Government to use, even indirectly, its influence to control bargains which landlords and tenants may make in respect of land."

The Tenement valuation was made on the principle condemned by the Committee of 1844, and by these eminent Authorities. It was thenceforth used with very disastrous consequences to good government in Ireland, as a standard for rent between landlords and tenants.

7. Griffith's Valuation necessarily included all permanent improvements made by the tenants. Mr. Griffith said, in a communication to the Townland Valuation Committee of 1844 (Report, p. 5):—

"The valuers in each case value the land according to the nature and depth of the soil, and the quality of the subsoil, all the local circumstances being taken into consideration, which include permanent improvements of every kind."

Sir J. B. Greene (Commissioner of Valuation) to the Richmond Commission, 1880. (Q. 28,314-5). "No question entertained as to whether the improvements, buildings, or other permanent improvements had been created by landlord or tenant?—No, we took them as we found them without inquiry as to whose expense they had been constructed at."

"Therefore the Tenants' outlay is included in the valuation?—Yes."

8. It was generally assumed, by landowners that Mr. Griffith's statement, that the Townland valuation was 25 per cent. less than the market value, was applicable to the Tenement valuation, and that rents should be 25 per cent. higher than his valuation. The "Government Valuation", put an end to all other valuations of agricultural land, and, as Sir G. C. Lewis foresaw, the influence of Government was used to control bargains between landlord and tenant, and led to a vast amount of rent raising.

Sir G. C. Lewis pointed out that to take the fertility or productiveness of land as a test of its value would necessarily lead to absurd consequences. That occurred under Griffith's system for land whose value was due to its favourable position, to being in demand for other than farming purposes, was very much undervalued. As examples of such undervalues in my own district—35 acres, valued at 7*l.*, was recently sold for about 4,000*l.*; 1 acre, valued at 30*s.*, for 400*l.*

The valuation of buildings, made on the structural principle, also led to great inequalities. Buildings in specially favoured circumstances and positions being under-valued, while those in opposite circumstances were, in comparison, over-valued.

Farm buildings were treated as an addition to the letting value of farms, instead of as part of the value of the farm as a whole. Foul thatched buildings requiring continual repairs and constant renewal were overvalued, consideration not being given to the cost of maintenance and renewal.

As tenant farmers holding from year to year had to supply buildings and all other equipments necessary to the farm, the tendency was for the farm buildings to be as frail as the tenant's tenure, and they required constant renewal.

9. The difference between the relations of the assessment and rental values in England and Ireland may be explained by an extract from Sir James Caird's pamphlet:

"The Irish Land Question, 1869"—"Since Arthur Young's time the rental of the two countries up to 1846 appears to have progressed in a nearly equal ratio. To attain this increase the landowners of Great Britain made continuous and great expenditure on buildings, fences, roads and drainage, amounting to probably not less than one-third of the fee-simple value of their estates. Their present rental thus embraces a return for the land itself and the capital spent upon it. The Irish landlord . . . seems to have drawn an equal return from his property without being called upon for any capital beyond the mere land itself."

In these circumstances the assessment value of farms in Ireland should never have been taken, as it has been, and still is to some extent, as a guide to the

rent which a tenant who has made all the permanent improvements on his farm should pay.

APP. II.

10. The urgent need of a valuation of Ireland has been manifest for many years, and ought to be commenced at once. What inequalities of taxation would exist in England if there had been no valuation for 40 years?

It is to be desired that assessment for taxation shall be:—1. Uniform; 2. Real, i.e., equal to the real net annual value of the premises. The same principle should be adopted in Ireland as in England.

Uniformity of method might, in theory, be best obtained by one Central Assessing Authority, but real values can only be known and truly estimated by persons having local knowledge. It is impossible that surveyors entering a Government Department, such as the Valuation Office, by examination, should have such a knowledge of local values in different parts of Ireland as would enable them to make a true, real, and equal valuation of lands, premises and tenements in different localities.

On the other hand, an Assessment Committee, selected from the local governing body, might not have the technical knowledge of mensuration and surveying necessary to determine the extent and quantities of the tenements to be valued.

The revision of tenements as regards boundaries, occupation and buildings has never been kept up to date, and the present Valuation Lists are very incorrect. I have known buildings kept on the Valuation Lists for more than 20 years after they had ceased to exist.

The Valuation Office should make for each Assessing Authority a Valuation List showing the extent, description and quantities of each tenement.

The Assessment Committee should then make the valuation, and should have power to employ an expert valuer to assist them, or to require an officer of the Valuation Department to do so.

The Commissioner of Valuation should assess in bulk all such undertakings as railways, canals, waterworks, gasworks which extend into different Local Government areas, and should furnish the Assessing Authority for each area with the full particulars and value of the undertakings within its area.

The Commissioner of Valuation should have power to appeal against any valuation made by an Assessment Committee. The appeal to be a tribunal, whose decision should be final on all points.

Any ratepayer should have power to appeal against the valuation of his property or holding, or against the valuation of any premises in the area in which he is a ratepayer. Such appeal to be to the Commissioner of Valuation, whose decision should be final. Reasons should be given for every decision made on appeal.

The valuation should be revised every five years. Valuation lists should be printed and on sale for information of all ratepayers.

In England, Local Authorities would never permit a department of the Treasury to be their Assessing Authority, and the same reasons apply in Ireland as in England.

11. The cost of a careful re-valuation of Ireland, including a revision of the tenements on the maps, will amount to a large sum.

The cost of re-valuation should be borne by the Government and not by the localities; for—

- (1.) The existing valuation has been made and maintained by the Government.
- (2.) The Government is responsible for the existing chaos of assessment and inequality of rating. It should set this right before the maintenance and periodical revision of the valuation lists are cast upon the local governing bodies.
- (3.) It is the Imperial Exchequer which will benefit by any increase in the valuation. The amount required for Local Government purposes will remain the same, though its distribution will be altered; but the Imperial revenue will gain in the increased income tax, succession duty, licenses, &c.
- (4.) Certificates of valuation are required for many public and legal purposes in the Law Courts, &c., and with these the local bodies have nothing to do.

12. Under the Land Law Act, 1896, the Land Commission ascertain and lay down on a map the boundaries of each holding on which they fix a rent. As a starting point of the calculation of what the fair judicial rent ought to be they estimate "the annual sum which should be the fair rent of the holding on the assumption that all improvements thereon are the landlord's property." This estimate should correspond

Re-valuation of Ireland should be made on principle of letting value. Difficulty of securing uniformity of valuation.

The Valuation Office should prepare the Valuation Lists, but the values should be inserted by local bodies. The Commissioner of Valuation should have a power of appeal. Properties extending into different local government areas should be valued by the Commissioner of Valuation.

Cost of re-valuation of Ireland should be borne by the Government. If the information obtained by the Land Commission in regard to agricultural land could be used, it would save expense.

APP. II

to the "gross value" under the English Assessment Acts. If judicial rents are not taken as the basis for rating, this gross value and the maps prepared by the Land Commission might be utilised as the foundation and standard for assessment values, so far as agricultural land is concerned.

By adopting the tenements on which judicial rents have been fixed, and utilizing the information in the Land Commission, a great deal of the expense which would otherwise be incurred in making a fresh examination of tenement boundaries would be saved.

Relation of values
to rental.

COMPARISON OF THE RENTAL in 1845 of 48 TOWNSHIPS ON THE SALTERS' COMPANY'S ESTATE, IN COUNTY DERRY, with the TENEMENT VALUATION [1852], (Griffith's) of the same TOWNSHIPS, and with the TOWNLAND VALUATION, 1840.

Townships	Townland Valuation 1840-1844.	Company's Rental, 1845.	Griffith's Valuation. Railways excluded.
(1.)	(2.)	(3.)	(4.)
	£ s. d.	£ s. d.	£ s. d.
Aghaskein - - -	388 10 0	457 4 0	500 0 0
Anghrim - - -	177 8 0	208 10 0	260 0 0
Belagharly - - -	247 10 0	274 10 0	341 10 0
Ballydoanell - - -	228 7 0	206 2 0	310 13 0
Ballymoleen - - -	264 6 0	278 15 0	380 0 0
Ballymoleernmore - - -	170 2 0	230 0 0	265 0 0
Ballynall Beg - - -	256 16 0	288 2 0	324 0 0
Ballynall More - - -	287 11 0	315 15 0	427 10 0
Ballygark (two parishes) - - -	176 1 0	227 10 0	257 10 0
Ballycooney - - -	108 14 0	121 10 0	133 10 0
Ballygillan More - - -	185 18 0	247 14 0	275 0 0
Ballygillan Beg - - -	202 4 0	256 7 0	277 12 0
Ballyliffed - - -	808 4 0	331 17 0	407 5 0
Ballyogish - - -	180 2 0	180 6 0	210 0 0
Ballynaghan Beg - - -	240 7 0	244 0 0	265 17 0
Ballynaghan More - - -	206 7 0	302 14 0	301 15 0
Ballyriff - - -	251 7 0	327 10 0	380 0 0
Ballyvally - - -	186 10 0	213 17 0	261 0 0
Ballymoleekesney - - -	124 6 0	127 17 0	148 0 0
Ballyknocker - - -	207 9 0	231 7 0	260 15 0
Ballyheifer - - -	187 2 0	209 16 0	246 0 0
Ballynagave - - -	224 10 0	561 1 0	289 0 0
Ballydermat - - -	194 18 0	394 5 0	309 15 0
Ballyroan Beg - - -	164 14 0	138 14 0	275 0 0
Ballyroan More - - -	460 12 0	615 1 0	756 0 0
Ballymulligan - - -	252 9 0	329 3 0	304 0 0
Druminnor - - -	245 5 0	290 0 0	330 15 0
Druminnagh - - -	210 10 0	258 12 0	332 0 0
Druminnocoy - - -	156 15 0	155 1 0	194 10 0
Druminnocoy - - -	204 7 0	195 10 0	206 12 0
Druminnor - - -	127 11 0	145 4 0	150 15 0
Delaney - - -	64 13 0	84 16 0	86 0 0
Denroan - - -	200 18 0	239 8 0	250 5 0
Edenreagh - - -	85 1 0	111 2 0	117 0 0
Gertagilly - - -	215 6 0	258 2 0	288 10 0
Killyboggon - - -	177 9 0	198 4 0	317 0 0
Polepatrick - - -	69 15 0	80 8 0	123 0 0
Killymore - - -	171 8 0	186 18 0	241 10 0
Killyaddy - - -	330 0 0	376 14 0	420 10 0
Leekagh - - -	72 19 0	67 14 0	85 10 0
Lisnacrow - - -	208 2 0	229 17 0	256 10 0
Mullaghtoy - - -	27 8 0	28 12 0	76 0 0
Neymackie Murray - - -	167 2 0	199 18 0	223 0 0
Maghadone - - -	197 1 0	243 19 0	279 5 0
Readure - - -	115 8 0	128 12 0	140 0 0
Tammodrum - - -	364 16 0	295 1 0	340 10 0
Tammodrum - - -	205 15 0	211 7 0	233 5 0
Tullykinlary - - -	108 18 0	227 12 0	291 15 0
Totals - - -	9,596 19 0	11,034 12 0	13,339 14 0

The rental of the Company's estate is taken from the rental of the Manor of Sal for the year 1845, printed for the use of the members of the Salter's Company.—Printed by W. Gilbert, Salter's Hall Court, London.

The Townland valuation is taken from the printed valuation of Ulster.

The Tenement valuation is taken from the printed books issued by Richard Griffith (Commissioner of Valuation), under the Valuation Act, 1852.

This rental of the Manor of Sal contains a full and detailed account of the estate by townlands, and of the condition of the tenantry.

On the townlands named there were 1,066 tenants-at-will, and 211 leaseholders. The leasehold rents appear to be at about the same acreable rate as the adjoining farms held at will.

The rental does not bear out the statement of Mr. Griffith as to the proportion his valuation bore to the rental. His valuation was supposed to be an estimate of what the value ought to be according to a scale of prices of produce—it included all permanent improvements on the farms.

Under the head of "Custom as to New Buildings and Repairs" the rental of Manor of Sal states, p. 38, "all buildings, repairs, and improvements are done by the tenant and not by the landlord."

13. The scale of prices in the Townland valuation and in the Tenement valuation were as follows:—

Comparison of scales of prices used in the townland and the tenement valuations. Objection to the method adopted.

Produce.	Townland Valuation.	Tenement Valuation.
	s. d.	s. d.
Wheat " " per 112 lbs.	10 0	7 6
Oats " " "	6 0	4 10
Barley " " "	7 0	5 6
Flax " " "	Nd	40 0
Potatoes " " "	1 7	Nd
Butter " " "	69 0	65 4
Beef " " "	33 0	35 0
Mutton " " "	34 6	41 0
Pork " " "	25 6	32 0

On these prices, if used in the same way, the Tenement valuation should have been less than the Townland valuation. It was very much higher.

The Tenement valuation included all buildings and permanent improvements. It was taken by landowners as the Government standard of what the rent ought to be, and was the cause of a great deal of the rent-raising that for many years led to discontent, evictions, outrages, emigration, and finally to the several Land Acts from 1870 to 1896.

The impolicy and injustice of the Government prescribing what ought to be the rental value of land on Mr. Griffith's system, was foreseen and objected to by Sir George Cornewall Lewis, (Poor Law Commissioner in Ireland and England, and afterwards Chancellor of the Exchequer). At p. 1748, Report of the Committee of 1844 on the townland valuation, he said: "It would be highly inexpedient for the Government to use, even indirectly, its influence to control bargains which landlords and tenants may make in respect of land."

His advice and the recommendation of the Committee were disregarded with very disastrous consequences to the peace and economic progress of Ireland.

SCHEDULE II.

COMPARISON OF THE PRINCIPLES OF VALUATION IN ENGLAND AND THOSE FOLLOWED BY THE LAND COMMISSION IN IRELAND.

ENGLAND.

Correct and Uniform Valuation.

The English Valuation Acts were passed to secure a correct and uniform valuation of real property for the purpose of rating.

The net rateable value is defined as the rent at which the premises might reasonably be expected to let from year to year free of all usual tenants' rates and taxes, and (tithes commutation rentcharge, if any, and deducting therefrom the annual cost of the repairs, insurance, and other expenses, if any, necessary to maintain the premises in a state to command such rent).

The definitions in, and processes prescribed by the different Valuation Acts for estimating the "net rateable value" provide for the ascertainment, in the first instance, of the gross value as a necessary step to the net value.

This is essential, because the outgoings and expenses necessary to maintain the premises in a state to command the rent, as well as the taxes, vary according to the character, condition, and situation of each hereditament.

A common standard for all classes of property is thus secured.

The rent at which an hereditament might reasonably be expected to let has been held not to include a "fancy rent."—(*Edwards v. Rastbach*).

Farms are to be valued in their entirety, not field by field, in parcels which are not capable of being separately occupied.

Valuations giving the separate value of each field are unnecessary, inconvenient, and the cause of appeals.

When a field-by-field valuation came up on appeal (*Burrows v. Hensley*), Kelly, C.B., said: "The value" has given unnecessary and even wasteful details. "It is infinitely more convenient that each farm should be valued as its entirety. A park and a farm, though in one occupation, may be assessed separately, but a farm should be valued in its entirety." Clearly, B., said: I am of the same opinion. The Act says the valuer shall make his valuation in writing, showing the particulars of the several hereditaments and the amount at which he has valued the same respectively. "This does not mean that he is to specify each field and the value of each field. No question would probably have arisen if the valuer had not given unnecessary particulars."

In the debate on the Agricultural Rates Act, 1895, the difficulty of separately valuing land and farm buildings was fully discussed.

Mr. Crisp, Q.C., said: "The question was whether it would be possible, on any intelligible basis, to separate generally throughout agricultural districts, the rating of buildings and the rating of land."—*Hansard*, p. 1702.

Mr. Stevenson:—"It was, for practical purposes, impossible to separate either land from buildings, or buildings from land."—p. 1704.

IRELAND.

Estimated Fair Rent, on the assumption that all Improvements belong to Landlord.

The Irish Land Law Act, 1886, requires the Land Commission to estimate, in the first instance, the fair rent of each farm on the assumption that all the improvements belong to the landlord; an estimate which ought to be both correct and uniform.

In making this estimate no account is taken of repairs, insurance, or any other expenses necessary to maintain the premises in a state to command the rent.

The court has laid down no principles on this matter, and it is unknown whether valuers make any allowance, actually or not, for such necessary outgoings.

The Land Commission has never defined what it understands by "fair rent," on the assumption that all improvements have been made or acquired by the landlord, nor enunciated any principles for the guidance of its official valuers.

The *Fry* Commission reported, p. 18, "there is great diversity of opinion and of practice among Assistant Commissioners, there is neither a common understanding of the law, or anything approaching uniformity in practice." Page 16—"It might have been hoped that all the difficult points arising on the Act would have received judicial observation and determination. This, however, (from the "appeals," has not been realized."

In *Gosford v. Land Commission*, *Heckes, L.J.*, said that the fair rent would not be the "rent which would be recklessly offered by a person whose wealth, or poverty, or land hunger had made him impudent"; but Lord Justice Walker said: "I must say, for myself, I emphatically decline to give any definition of fair rent."—(*Gosford v. Land Commission*, 1908); and *Finaghton, L.J.*, in some cases: "It is most undesirable that we should go at all into the question, except so far as it may be necessary, of the definition of a fair rent."

Valuations made for the Land Commission put a separate value on each area of a different class or quality in the farm, though these separate areas would be incapable of separate use and occupation.

The estimated annual value of the buildings is then added. Additions are then made for any advantage of position, such as proximity to a town or village; for appurtenant rights, such as turbary, though this may be many miles distant; for advantages which the tenant may avail himself of as one of the public, such as taking seaweed from an open foreshore, or fishing in the sea. Sometimes additions are made for taxes paid directly by the landlord, or for drainage charges, though their payment is necessary to maintain the premises in a condition to command the rent estimated.

Thus the gross assessed value is built up by the addition of separate annual values attributed to parts, properties, and appurtenances, though each part would be incapable of being occupied and used separately. In some cases, 8 to 12 such items added together go to make up the value of a farm worth from £1. to £10. in its entirety.

This system is the exact opposite of what the Commissioner of Valuation told the Commission on Local Taxation he would adopt (Q.4. 3313-60):—"I would value the whole as a whole, and then I would value the farm buildings and make a separate item of them. . . . A tenant would not take the farm buildings without the farm and he probably would not take the farm without the buildings. What he would give

ENGLAND—cont.

Mr. Pickersgill—"It was practically impossible to distinguish in the entire assessment between agricultural land and buildings."—p. 1704.
 Mr. Courtenay Warner—"The land without buildings would be worthless, and in the same way the buildings without the land were valueless."—p. 1708.
 This admitted difficulty was dealt with by the Agricultural Rates Order, V. (2), which prevents the separate values of lands and buildings, when added together, exceeding the value of the farms as a whole.

Cost of repairs, insurance, and maintenance are treated as deductions in England.

Drainage rates are a proper deduction from the gross value (Reg. v. Hall Dale).

A deduction should be made in respect of a drainage rate as an expense necessary to maintain the land in a state to command the rest (Queen v. Gainsborough).

A fund for renewal of farm buildings is a proper deduction. In Reg. v. Wells, Cockburn, C. J., said—"There seems no distinction in principle between a sum annually laid by to make good, where it shall become necessary, an inevitable loss by the destructive agency of time, and a fund laid by for an indemnity against a loss by fire or storm, or other peril insured against."

IRELAND—cont.

"For the whole I would arrest at the first instance."
 "The total valuation as applied partly to buildings and partly to land, would not be more than the valuation applied on the fair letting value of the whole?"
 "That is so."

No deductions are made for insurance, repairs, maintenance or renewal. No one can know whether any allowance is made mentally or at all. Outgoings are sometimes added to the ascertainable value to make up the rent.

Two examples of the way the full fair rent is estimated are given as illustrations—

1. Galway, 15,444—

s.	d.	r.	s.	d.		s.	d.
172	0	0	at	14	6	-	134 14 0
21	0	0	"	6	6	-	7 3 0
64	0	0	"	1	0	-	3 4 0
7	2	0	"	14	6	-	5 8 9
23	0	0	"	12	0	-	13 16 0
41	0	0	"	7	0	-	14 7 0
							<hr/>
							£108 12 0
Herd's house - - - -							1 0 0
Turkey on holding - - -							0 10 0
Maintenance of drainage -							7 18 0
For deterioration of holding -							7 0 0

Fair rent on assumption that all improvements belong to landlord - - - - - £185 0 0

2. Fermanagh, 333—

s.	d.	r.	s.	d.		s.	d.
1	3	80	at	4	0	-	0 7 6
0	1	24	"	1	0	-	0 0 4
1	3	19	"	10	0	-	0 15 1
2	0	20	"	13	0	-	1 7 7
							<hr/>
							£2 15 6
Buildings (old walls) - - -							0 1 0
Half county rate allowed by landlord - - - - -							0 3 2
							<hr/>
Fair rent on assumption that all improvements belong to landlord - - - - -							£2 17 8

Valuing a farm by *sherpensworths* will strike most persons as ludicrous as well as incorrect in principle; and the realisable value of a cabin cannot be its only basis to have any annual value.

In ascertaining the net value an allowance is to be made for taxes.

In King v. Hull Dock Co., Abbott, C. J., said—"The whole worth or value is made up of what is paid in rent and what in other outgoings. Land is intrinsically worth 40s. a year and only pay 30s. if it is to pay 10s. per annum in other ways. The outgoings must be deducted from the value before the rent can be properly fixed."

In Tyne Commissioners v. Clifton, Cockburn, C. J., said—"The proper mode seems to be to deduct the amount which the tenant would have to pay for rates and taxes after making all other deductions. The only practical way of treating the rates and taxes is to treat them as any other outgoings."

In estimating the value of a farm, the values of the buildings and land estimated separately must not exceed the gross estimated rental of the undivided hereditaments.—(Agricultural Rates Order, V. (2).)

In estimating the separate values of land and buildings the area under the buildings is deducted from the gross area of the farm, so that it shall not be valued twice over, once as land and again as buildings.—(Agricultural Rates Order, Schedule A.)

No specific deductions are made for taxes and rates payable by the tenant. The official direction to valuers up to March 31st, 1890, was: "The rate per acre to be estimated on the basis of the tenant paying all the county cess and being allowed the statutory proportion of the poor rate;" and since that date it is: "The rate per acre to be estimated on the basis of the tenant paying a total rate equivalent to the standard amount of county cess and poor rate in respect of the holding, as set out in paragraph 3, less by the amount of benefit to the landlord from the agricultural grant in respect of the poor rate."

Other rates and taxes, besides the standard amount of rates are often payable by the tenant, but how or to what extent they are to be taken into account is unknown.

No such direction is given, and the Land Commission has declined to commit itself to any such direction.

The ascertainable value of the whole area of the farm is ascertained in sections, and includes the area covered by buildings, though the buildings are separately valued, and their value then added to the value of the farm.

APP. II.

ENGLAND—cont.

The value of farm buildings is not to be estimated on the structural cost, but on the rent at which they would be expected to let to a tenant from year to year when used for cultivation of the farm.—(*Agricultural Rates Act, 1896, s. 4 (7) (d).*)

IRELAND—cont.

In estimating the separate annual value of buildings a percentage is taken on their estimated capital value. No principles have been laid down as to the percentage rate on different classes of buildings.

Valuation in England.
Principles are clearly defined.

In England, to secure a correct and uniform valuation, a common standard, or point of departure, is taken, viz.: the rent at which a farm might reasonably be expected to let for, if the lessor undertook all outgoings and taxes. No great difficulty is found in arriving at the initial figure with the help of experts, owners, and lessees. Every subsequent step by which the net value is deduced has been decided and made clear in principle by judicial decisions, if not already clear by statute.

Hereditaments are valued as a whole, and reasonably so; for as the only bases of a valuer's knowledge are actual market values, and as land and houses are sold and let together, no basis exists for the separate valuation of the two parts of the hereditament. The outlay on maintenance, repairs, renewal, insurance, and taxes, must vary with the class, condition, and situation of every property; but each item of outlay can be ascertained and specified so that the parties may understand on what principles their properties are dealt with.

Valuation by Land Commission in Ireland. The Commission has not disclosed the principles upon which it proceeds.

Under the Irish (Land Commission) method no one can know on what principles the Court proceeds, for it has consistently abstained from ever laying down any.

The plan of budding up the value of an hereditament by the addition of the values attributed to different parts and properties of the premises is as absurd as if a house were valued by placing separate annual values on the site, the foundations, the walls, the roof, the staircases and woodwork, and then on the situation of the site.

No one can tell how the outgoings for maintenance, renewal, and taxes are dealt with, or whether they are taken into account at all.

The result is, that the values placed on farms under section 1 (1) *a*, of the 1896 Act are most uneven; appeals are multiplied; the appeal court on value is a lottery; professional men, whether valuers or lawyers, do not know what evidence to give or what points to argue. Decisions are given as to value with absolute silence as to reasons, and appear to the parties and to the public arbitrary, governed by no judicial discretion, and founded on no principle.

April 1899.

APPENDIX III.

Memorandum prepared for the Commission by Mr. Charles Dawson, Collector-General of Rates, Dublin. [*See MINUTES OF EVIDENCE, QUESTIONS 23,635-23,782.*]

APP. III.

I.—VALUATION AND RATING IN DUBLIN.

Valuation of Dublin was first made in 1854. Comparison with previous valuation.

1. Last valuation of Dublin made in 1854, under Act of 1852. In 1856 it stood at 510,500*l*. This was a reduction of 159,878*l*. from what it was in 1849.

No apparent reason for that reduction. Class of people occupying property in 1854 not very different from that of 1849. For instance, in one residential square (Merrion) the reduction was about 6,000*l*., and yet the same class of people continued to occupy, viz., judges and professional men, doctors, and lawyers. The valuation does not seem to have been made then on the basis of the rent, as set forth in the Valuation Act, 1852.

The Corporation then charged with fiscal matters got an income reduced by about 35,000*l*.

Inequality in valuation in Dublin. Valuation is not increased in

2. By section 11, 15 & 16 Viet. c. 63, the valuation of houses and hereditaments should be made on the rent from year to year, minus certain deductions for repairs, insurance, &c.—that is, the hypothetical rent.

This principle seems to be utterly ignored in Dublin. Rents have doubled and quadrupled, and yet, unless there was some structural change, no notice is taken of increase of rent. But whilst no notice is taken of increase of rent, many of those whose rents have fallen, have appealed for, and got reductions. The principle of depreciation being acted on against the interest of the Corporation, but the appreciation, which would be in its favour, is ignored. Very lately, since the time of the present Commission, it has been inquired into.

Houses in the principal streets, such as Grafton Street, &c., houses bringing rents of hundreds a year, continue to be valued as low as 40*l.* to 50*l.* Large houses let in flats, as offices, and bringing in rents of 500*l.* to 700*l.*, are only valued at 100*l.* to 150*l.*

3. Gas company, breweries, distilleries, &c., valued, apparently, merely as structures. By right, under section 4, 17 Vict. c. 8, such companies' hereditaments, the value of which is liable to frequent alterations, should be annually revised. In England, it appears, such revisions are made. Sometimes the valuation as regards gas companies is on half the profits (see Mr. Jones' note in Minutes of Evidence, C.—8763, 1898, p. 329. "The rates paid are about 7*s.* in the *£*, on a rateable value equivalent to "50 per cent. of the profits"). Our gas works' published accounts show an annual profit of over 60,000*l.*—they are assessed at 7,743*l.* in the city, and about 2,000*l.* in suburbs.

The same applies to breweries, distilleries, &c. Similar concerns are fully valued in Barton-on-Trent, &c.

As a rule, monopolies are not taken into consideration when premises are valued. As they increase the letting value, they should be clearly taken into account, viz., licences of various kinds.

4. In English valuation books (Act of 1862) there is a column for the gross and net rental, to determine value; in the Irish form submitted there is no column for rent as basis of value.

Copy from Rate Book, Morfield's Liverpool Local Assessment Committee.

Rate No.	Tenement No.	Occupant.	Owner.	Description.	Gross Rental.	Rateable Value.
7,000	3	—	Trustees of J. Holcroft.	Coasting house.	£ s. d. 70 0 0	£ s. d. 60 0 0

Copy of Government Valuation Form, Dublin.

Local No.	Street.	Occupant.	Immediate Lessor.	Description.	Rateable Annual Value.

5. There is a provision in the Valuation Act of 1852 that a new valuation should be held after 13 years. This has not been acted on. The alleged reason is, there was no provision for the cost.

6. This non-valuation has resulted in the inadequate valuation of the City, and the Corporation is compelled to strike a high poundage, and thus get the odium of a heavy rate. Since 1878 the valuation has only risen 187,293*l.*; the Corporation has spent during that period 1,718,725*l.* in the betterment of the City.

This under-valuation is not denied. It was admitted by the late Commissioner of Valuation, Sir John Bell Greene, who admitted before the Boundaries Commission of 1890, in answer to Question 6,811, "that, according to his calculation, the value of the city then ought to have been 781,000*l.*" or 130,000*l.* more than it was. He was supported in this by Mr. Frederick Stokes, the then Chairman of the Bathinnee Commissioners, who, in answer to Question 2,982, said the valuation of the City might have been then raised to 800,000*l.*, and still be low.

The Exham Commission on the extension of the boundaries held in Dublin in 1879, Report, p. 33, says, "A new valuation of the city is absolutely necessary. This was almost the only point on which there was a consensus of opinion before us. The present valuation is most unequal."

ART. III.

cases where rent has increased (unless there is some structural change), but where rents have fallen the valuation is reduced. Instances of under-valuation.

Under-valuation of certain properties, such as gasworks, breweries, &c. Comparison with England. No account is taken in Ireland of the fact that the monopoly increases the letting value.

Rent as a basis of rateable value. There is no column for the rent in the Irish Valuation Form as there is in the English Valuation List.

Re-valuation of Dublin. Provision for is Act not acted upon, as there was no provision for cost. In consequence the City is under-valued, the distribution of local burdens within it is very unequal, and its borrowing powers are restricted.

APP. III.

7. Yet, notwithstanding all these evidences and Reports, 20 years have passed away and nothing has been done—at least practically nothing. The Tram Company, the Telephone Company, and some of the railways have been revised; but this is only a drop. The present Commissioner of Valuation admits, as far as I can gather from him, all these anomalies; but he says, and, I think, very naturally, it is unfair to pick out individual cases here and there, and inflict hardship on them whilst the general evil remains unreformed. *Vide* his evidence, p. 135, Local Taxation Commission; Questions 3596-8. [C. 8763-1899.]

8. The consequences of this state of affairs is, the premises that are fairly valued have to pay a poundage of 6s, where, if it were reformed, they would only pay about 4s. Thus, the struggling persons are paying a rate 2s. higher than they should.

The borrowing power of the Corporation being confined to double the value is restricted.

9. The exemptions in Dublin are extremely numerous and their legality highly questionable.

It is only tenements "which are altogether of a public nature, or used exclusively for such charitable, scientific, or other purposes aforesaid" (15 & 16 Vict. c. 63. s. 16, and 17 Vict. c. 8. s. 2), should be exempted.

10. The exemptions of what are called half annual rents from municipal taxes is unfair and unjustifiable. They amount in Dublin to 7,476l., and the municipality loses 2,336l. 8s. 1d. The half annual rent arises in this way. If a landlord lets his ground or premises to a charity or to the Government, he only pays poor rate, and the charity or the Government pay nothing. The following absurdity has arisen in my experience. A certain house in Nassau Street was valued at 125l., and paid us rates. The occupier let the upper portion to the Government, at 90l. a year. The valuation was divided into 75l. and 45l.; the latter being a half rent is free from municipal rates. The occupier is 90l. the richer and the Corporation the poorer by the loss of the municipal rate on 45l. Such items being hired property, do not come in for bounty in lieu of rates.

11. Empty building land is assessed at a very low figure, but if a rent be paid for it by a church or charity it escapes municipal rates altogether. The 19 & 20 Vict. c. 63. provides that half rent should, in Ireland, pay Grand Jury cess, but by the 21st section the City of Dublin is excluded from this provision.

12. A general re-valuation would, in my mind, reveal many exemptions not in accordance with the law. For instance, Trinity College, occupying 30 acres of the most valuable part of the city is, in the first place, only valued at 6,945l., and the only rates paid on its immense buildings, halls, chapels, &c., are a sewer rate of 3½d. and a lincal yard measure along the spaces fronting the public streets, amounting to 337l. 2s. (section 117, 12 & 13 Vict. c. 97). The Royal University and other institutions are also exempt. In Oxford the colleges, halls, chapels (except Christ Church Cathedral, open to the public) are valued for local rates at 69,000l. The colleges and halls at Cambridge are valued at 40,000l.*

13. Many institutions, of all religions, not strictly public, nor wholly supported by voluntary subscriptions, are exempted in Dublin.

Nothing but a general re-valuation would bring all these matters into light. In London the County Council publish a return of exempted property, with the various provisions authorising them.

14. There ought to be, as in London, quinquennial general valuation. Changes of value from any causes would then be rectified up to date.

15. The one revision in the year closes on the 15th November (17 Vict. c. 8. s. 4). Houses and premises in course of construction, but not quite finished, do not appear on the valuation sheet for the coming year. Hence it frequently happens that their owners finish them before the 1st of January, let them, get rents, and escape all the year's taxes. This is most unfair to the other ratepayers, who thus pay for the lighting, cleaning, watching, &c., of their premises. On inquiry, I find that in England there is a provisional rating going on during the year, and putting on new hereditaments as they arise.†

* We are about to submit these hereditaments, and test the question.

† Under the Local Government Act, 1898 (Ireland), the annual revision will close on the 15th May. The change will extend the time of immunity from rating to a year and a half.

16. Under the Act 12 & 13 Vict. c. 91., in cases of distress in Dublin, the goods only of the person mentioned in the warrant can be seized. Hence they are claimed by others who may not own them. The rating Authority cannot demand proof of assignments and must risk actions to recover.

It is desirable to put the collection of local taxes on the same footing as that of Imperial. For instance, in the latter all the goods on premises are liable to seizure for income tax, no matter unto whom belonging. In cases of local rates, declarations that the property belongs to another defeat the seizure. In some of our townships here the premises are liable, as an ultimate source of payment. In those townships there are practically no rates levied, whereas when the claim is a personal one, on the occupier, there are frequent losses. This contingency has to be provided for in striking the rate. It is not clear why local rates should not be made as secure as Imperial, or even as rent, for were not local expenditure carried out, houses, &c. would be uninhabitable.

II.—GENERAL PRINCIPLES OF LOCAL TAXATION.

17. Owners whose property has been enhanced by permanent improvements should share with occupier the local burden. The latter, residents of only, perhaps, a few years, pay for all the works that permanently increase the property of the landlord. The proportion to fall on landlord could be adjusted. There are cases known to me where very struggling shopkeepers, already paying a high rent, bear all the cost of not only necessary improvements, but, if I may so speak, of the luxuries of civilization—baths, libraries, open spaces, &c. From these the landlords are free.

18. At least the ground rents of large proprietors of city property, such as Lord Pembroke, &c. Such proprietors draw immense incomes. Were the City neglected, badly lighted or paved, their property would be endangered, and, therefore, they should contribute something to that expenditure which protects their property. A tax of this kind in Dublin would largely relieve the general ratepayer.

19. No doubt the pressure on occupiers of property is too heavy, while vast amounts of personal wealth bear none of the local burden. These local burdens have now become immense, and should be borne as well as Imperial taxes by the wealthy, from any source. The purely Urban debts, in 1893, of the three kingdoms, amounted to 169,310,350*l*.

In fact, it has assumed Imperial dimensions. Why should not personal wealth pay a share? There should be a municipal income tax, say 1*d*. in the £, for local purposes. Amongst other authorities, Lord Salisbury has said, at Exeter in 1892: "There is no reason whatever why the holders of 750 millions of Consols should go absolutely free, and leave to their poorer neighbours, who occupy or own lands or houses, the duty of maintaining the poor and of providing education." I would add all the advantages of modern civilization. In 1879 Sir Michael Hicks Beach's Committee reported that the arguments used in favour of a division of the rates were mainly: "That it is neither fair nor expedient that the pressure of taxation, when increased, should fall, in the first instance, solely on one, and that the poorer class of the community—the occupiers." The Committee finally decided to recommend the proposed division of rates.

There are examples of this municipal income and personal tax in Germany, Switzerland, and other countries. The object seems to be to make those who can best bear it pay the largest portion of local and national burdens. The property and income assessments prove this.

20. It ought not to be left entirely to a Government department with little local knowledge. At present the Poor Law Guardians only indicate that new valuation or revision is necessary, but the fixing of it is left to Government officials. This is a case where local knowledge should come in.

What I would suggest is a system of Local Assessors employed by the Local Bodies, in conjunction with an independent person, say appointed by the Government. The rates committee are most impartial in their action, and their attitude has strengthened the hands of my department in raising the collection, since 1893, 6 per cent., representing in the municipal assessment an increase of 12,000*l*. per annum.

21. All exemptions should be abolished, perhaps with the sole exception of places of public worship, charity schools, and institutions entirely depending on voluntary subscriptions. Exemptions lead to unjustifiable remissions, they clog the work of collection with much difficulty, and they have a tendency to increase. Any increased subscription made necessary to defray the rates on the part of supporters of exempted places would be qualified by a reduced rate on the subscribers themselves.

APP. III.

Collection of Rates. Difficulties in Dublin in cases of distress. The Liability should be attached to the goods on the premises, no matter to whom the goods belong or to the premises themselves.

Owners, rating of. Owners should be rated for permanent improvements.

Ground rents should be rated.

Personal property, rating of. There should be a Municipal Income Tax.

Valuation should be made by Local Bodies in conjunction with an independent person.

Exemptions should mostly be abolished.

ANALYSED RATES.

APP. III.

1st October 1899 to 31st March 1900.

	North Side.	South Side.
Improvement Rate - - - -	s. d. 1 10	s. d. 1 10
District Sewer Rate - - - -	0 1½	0 1½
Domestic Water Rate - - - -	0 1	0 1
Poor Rate* } Collectable as Poor Rate - {	3 2	1 8
Police Rate }	0 4	0 4
Bridge Rate }	0 0½	0 0½
Public Water Rate - - - -	4 7	4 1
	0 1½	0 1½
Total for six months - - - -	4 8½	4 2½

* Note.—Poor Rate comprises—Union Charges - { North Side, i.e. 2½d. in the £.
South " 6½d. " "
County Charges - { North Side, " 11½d. in the £.
South " " "

APPENDIX IV.

Memorandum prepared for the Commission by Sir Samuel Black,
Town Clerk of Belfast. [See MINUTES OF EVIDENCE, QUESTIONS
23,788-23,994.]

APP. IV.

1. The ratesable valuation of Ireland is made under the supervision of the Commissioner of Valuation, and is a general basis for all taxation in the city. Such valuation made by an independent authority is, in my opinion, the best, and saves much trouble to and complaints of the local Authority.

Valuation.
Present system
is satisfactory.

2. The Municipal rates of the City and the Poor rates are levied on that valuation, except upon the Harbour Commissioners' property. The Municipal rates on the latter are, under the Local Acts, calculated upon a tonnage rate of all vessels discharging or using any of the Commissioners' quays or docks, and the Commissioners' property is exempt from Poor rates, and consequently does not pay Borough rate. In my opinion it should be subject to both.

Exemptions.
Special exemption
in Belfast of
property belonging
to the Harbour
Commissioners.

3. Poor rates are also leviable upon half the annual rents received out of exempted property, i.e., lands used for public or charitable purposes. And under the Public Health Act, railways, canals, the waterways of docks, and lands mentioned in section 226 of that Act are only rated on one-fourth of their valuation.

Differential rating
in Belfast.

4. The Municipal rates in the City are—

- (1.) The borough rate limited to 3d. in the £;
- (2.) The baths and washhouses rate;
- (3.) The library rate;
- (4.) The public parks rate;
- (5.) The public health rate
(all of which may be collected as one rate);
- (6.) The police rate;
- (7.) The general purposes rate; and
- (8.) Special district sewers rates.

Municipal rates
leviable in Belfast.
Limits of certain
rates.

Art. IV.

5. The Borough rate is limited in Belfast to 3d. in the £. The Library rate was limited in Belfast to 1d. in the £, but by an Act of last Session the Corporation got power to increase it by 1d. The Police rate is limited to 3s. 4d. in the £ on house property lighted and watched, and over 20l. annual value, and to 1s. 8d. in the £ on property under that valuation. If the rate on houses not exceeding 8l. valuation be paid within a month after it is struck, the parties are entitled to a discount of 25 per cent. upon it. Property added to the City by the Act of 1896 pays one-fourth less. Although the limit is 3s. 4d. and 1s. 8d., the rate struck last year was only 1s. 6d. and 9d., and even that was in advance of previous years.

Compounding system a good one. Local Government Act discounts compounding for Poor and Borough rates.

6. The allowance of discount for prompt payment of rates on small houses is, in my opinion, a good one, and advantageous to the general body of ratepayers. It brings in the rates promptly, and as these properties generally are only occupied for short periods, there would be difficulty in obtaining payment from the occupiers and in following them therefor, as the changes in the tenancies are numerous.

7. The collection of rates from the landlords of small houses has not been adhered to in respect of the Poor rates or Borough rates in the Local Government Act. The collection thereof from the occupiers of small tenements will, I have no doubt, cause considerable loss to the other ratepayers, who will have to make up for the deficiencies of the occupiers of small tenements.

8. Under the Local Act of 1853 demesnes of 40 acres and upwards are exempt from Police rate and Borough rate.

Exemption of demesnes from certain rates in Belfast. General purposes and Special District sewers rates. Particulars of.

9. The General Purposes rate is a uniform rate limited to 3s. 6d. in the £ on property within the lighted and watched area of the City, and to 2s. 7½d. in the £ on the portions not lighted and watched, but with an allowance of 25 per cent. on valuations not exceeding 8l. for prompt payment. The District Sewers rates are levied upon special districts in which district drainage was provided either by the Corporation or by the Poor Law Guardians in the area added to the City by the Act of 1896 prior to the passing of that Act. In the added area it is limited by the Act extending the City in those districts to 10 years from 1898.

10. The same conditions as are applicable to the Police and General Purposes rate apply to District Sewers rates, but in the added area where previous to the Act of 1896 a party was entitled to deduct a portion of his Sewers rate then payable to the Guardians from his landlord's rent his right of deduction was continued.

Public Health Rate is unlimited.

11. The Public Health rate is not limited in amount, and may be levied as required for the objects of that Act.

Agricultural Grant under the Local Government Act. Farms within the area of the City receive no benefit.

12. In the area added to the City a considerable number of farms are included, and it is a hardship upon the occupiers thereof that they are not to receive any benefit from the Agricultural Grant merely because their farms are situate within the City boundary.

Leaving and collection of rates in Belfast. Unoccupied property.

13. The Municipal rates in Belfast are levied by the Corporation. The Poor rates are now also levied by them upon the requisition of the Guardians. The Municipal rates are struck yearly, and if the premises are unoccupied for part of the year an allowance is made in respect of the vacant time. If a quarter of the year is entered upon the rate for the quarter becomes due. An occupier has only to pay from the time of his coming into possession.

Under-valuation in Belfast. A general re-valuation is to be made under the provisions of the Local Government Act.

14. Property in any of the leading streets in Belfast has of late years become very much more valuable than it was when the general valuation was made in 1860, but in many instances old and unimproved property still remains at the old valuation, and consequently escaped its fair proportion of taxation. The Corporation, feeling the unfairness of this, lately applied to the Lord Lieutenant under the Local Government Act for a new and revised valuation to be made of all property in the City, and he has ordered one accordingly, the Corporation agreeing to pay half the cost thereof.

Personal property. Contribution to local taxation insufficient.

15. Personal property does not contribute to local taxation, save in the contribution made under the Probate Duties Act, 1888, and Estate Duty Act, 1896, and, whilst in my opinion it should contribute more, I am not prepared to say how it can be carried into effect.

APPENDIX V.

Memorandum prepared for the Commission by Mr. D. Bulmer.

[See MINUTES OF EVIDENCE, QUESTIONS 24,150-24,215.]

DIFFERENTIAL RATING.

APP. V.

1. I am of opinion that, as a rule, differential rating in municipalities is a mistake, and is unsound financing, especially where it is under a rate for general purposes, as in Belfast, for it tends to create, and has created, two classes of citizens who are not equally interested in the amount of the rates levied, and who find it difficult to act together in any steps necessary to prevent extravagance in local administration, and this is of the highest importance in face of the tendency to increase in local taxation.

Differential rating is undesirable. It creates two classes of ratepayers unequally interested in questions of local rates.

2. My remarks may be taken as having a general application, though I have the City of Belfast most in my mind, as we here have a very conspicuous instance of differential rating for general purposes though the rate under which it is levied is called the Police rate. This rate in 1897 (the last year for which the Belfast Corporation Accounts are published up to this date—5th September 1899) produced 41,900*l.*, and amongst the items of expenditure are the following, viz.:—Public lighting, 19,300*l.*; widening of streets, 4,500*l.*; cost of police, 6,612*l.*; dividends and redemption of loans, 4,500*l.*; salaries and superannuation, 1,200*l.*; fire brigade, nett cost, 5,200*l.*; and miscellaneous items, including urinals, street signs, &c., 2,000*l.* The whole of the rate is here shown to be expended for what I contend is "general purposes," and should be contributed to by the ratepayers equally according to the annual valuation of the premises rated; but instead of this being the case the amount was raised by a rate of 1*s.* 4*d.* in the *£* on valuations over 20*l.*, and a rate of 8*d.* in the *£* on valuations of 20*l.* and under.

Police rate. Differential rating for properties over 20*l.*, and those under 20*l.* Purposes on which rate is expended. It should be levied equally on all ratepayers.

3. When the maximum of the police rate under the local Act of 1845 was fixed at 1*s.* 6*d.* in the *£* on valuations not exceeding 20*l.*; 3*s.* 0*d.* in the *£* on valuations over 20*l.* and not exceeding 80*l.*; and 4*s.* 6*d.* in the *£* on valuations over 80*l.*, it looked as if the framers of the Act (the Belfast Corporation of that day), had some idea in their minds of progressive rating according to valuation; but when in 1853, under another local Act, the higher rating on valuations over 80*l.* was abolished, and only the two other classes of ratings left, it seems to leave the matter in obscurity.

History of differential rating for the Police Rate in Belfast. If the system is justifiable premises between 20*l.* and 40*l.* valuation should not pay so large a rate as those over 40*l.*

4. I contend, further, that if the differential rating was justifiable, the limit of 20*l.* valuation after which the full rate is levied is very unfair to a large body of ratepayers. Premises over 20*l.* valuation and under 40*l.* are largely occupied by the smaller trading classes, amongst whom, owing to many causes, the struggle for existence is exceptionally keen, and the question of high rates is a crushing one.

5. If the idea was to relieve the ratepayers with valuations not exceeding 20*l.*, I would suggest that the object has failed, because the large majority of holdings of that class are let "free of rates"; and as the landlords and property agents get as much rent as they possibly can for the holdings, and would do so in any case, it follows that the relief of one-half of the Police rate goes largely into the pockets of the owners of the property. The matter of the difference in this rate has been fully made use of by builders and property syndicates to their own benefit, and it is unfair to the other ratepayers that nearly one-half of the property in this City should be relieved to the amount of 2*d.* in the *£* on rates required to be paid for the ordinary purposes of municipal government this year (1899).

Police Rate in Belfast. Differential rating provisions. Benefit goes largely to landlords and this is unfair.

6. The occupiers of property where only one-half of the Police rate is levied comprise more than one-half of the voters on the register, and as a large number (in fact the majority) are only nominally ratepayers, and do not realise the amount of the municipal rates, one can see that while at present the Corporation refrain from adding to the amount of the Police rate more than they can help, there is great danger that through the voting strength of the merely nominal ratepayers, the character of the City Council may be so altered that the Police rate would be increased in preference to any other as no further Parliamentary authority is required, and the difference in the amount in the *£* paid by the two classes of ratepayers, instead of being 2*d.* as now, might be 1*s.* 8*d.* in the *£*.

Police Rate in Belfast. Differential rating provisions and compounding might result in additional burdens being placed on this rate in preference to any other.

APP. V.

Effect of differential rate on the total rates of Belfast.

Property benefiting by the differential rate amounts to half of the rateable value of Belfast.

Effect of the differential rate on the kind of buildings erected.

Differential rating should be abolished.

Re-valuation of Belfast to be made.

Differential rating Abolition of

7. Our municipal rates have increased 2s. 1d. in the £ in the last 13 years, viz., from 4s. 4d. to 6s. 5d. on valuations over 20l., and correspondingly on the lower valuations, and so far as one can judge, the rates will increase still further. If the rates this year (1899) had been equalised, it would have meant 6s. 0½d. or 6s. 1d. all round, instead of 6s. 5d. and 5s. 8d. on the two classes respectively.

8. Our total valuation last year was 1,059,000l., and of this, 294,550l. was on holdings not exceeding 8l. valuation; 214,140l. on valuations over 8l. and not exceeding 20l.; and 550,300l. on valuations over 20l.; therefore only on a little more than one-half of the property was the full amount of Police rate levied, while on holdings of not exceeding 8l. valuation, besides getting the advantages of one-half of the Police rate, the owners benefited still further by compounding.

9. Differential rating, with such large possibilities as under our Local Act, has had a considerable influence in the kind of buildings erected, and on many thoroughfares inferior erections have been put up in order to keep down the valuation, where if equal rating had been in force a better class of property would have been erected.*

10. I believe it would be much better that all local rates for general purposes should be equally assessed, and also that all occupiers of holdings over 8l. valuation should be rated direct instead of the rates being collected through the landlord or agent; this would give citizens an equal interest in the cost of local government, and promote a healthier interest in the class of representatives elected, and tend to greater purity in local administration generally.

11. We are about to have a general re-valuation, and as it is 37 years since the previous re-valuation, it is anticipated that a large increase will be made in the total valuation of Belfast.

12. If, as the result of the labours of the Commission, an Act of Parliament is passed insisting on equal and direct rating, it will be of great and lasting benefit in all places, and in Belfast in particular.

APPENDIX VI.

Memorandum prepared for the Commission by Sir James Haslett, M.P., sometime Mayor of Belfast. [See MEMOIRS OF EVIDENCE, QUESTIONS 24,216-24,348.]

APP. VI.

Local Taxation in Belfast

1. The rates for the City of Belfast are levied in two classes by Acts of Parliament; first under General Acts, second, under the Local Acts.

2. All rates are levied upon property. The only rate which may be termed personal is Income Tax, and this, of course, is an Imperial tax.

3. The Government valuation for Poor Law purposes is the foundation of all other rates. This valuation is presumed to be the letting value less the percentage for insurance and repairs.

4. The rates are personal, and if a tenant leaves the rated property, the rates cannot be charged against the property.

5. Vacant ground within the City is not chargeable with rates.

6. The Poor Rate is levied for the purpose of supplying the poor of the Union district; amongst whom may be found imbeciles, idiots, for whom special provision is made in the recent Act.

7. The general taxation for the City of Belfast includes the necessary amount for the maintenance of lunatics; the management of the asylum being under the Corporation or a committee of that body.

8. It has been advocated that the taxation on premises should be distributed between the occupying tenant and the landlord, on the same lines as the Poor Rate in former times. The Corporation of Belfast considered this subject; but having sold a large number of ground rents free from taxation charge, it was felt that they were not the body to advocate a change of system.

* See Question 24,216.

Poor Rate and Maintenance of Lunatics.

Division of Rates Ground rents should not be separately rated.

9. There is some agitation in favour of the distribution of the taxes, and if we were beginning a city or country, this might be done; but ground rents having been founded on the basis of being free from taxation, it would be an injustice to alter the system now.

10. My opinion is that to adopt a new principle as to future letting would resolve itself into this, that the rent would be fixed correspondingly high.

11. The support of the lunatic asylum, I should think, should be an Imperial charge on the same lines as the prison management.

Asylums should be maintained by State. Maintenance of Imbecile children.

12. Special schools should be set up in the four Provinces for imbecile children, so that any trace of intelligence they have would be brought out with a view to their being self-supporting in after life.

13. Vacant property should be called upon to pay a proportion of rates, I would say about $\frac{1}{2}$ to cover watching, fire extinguishing, charges, &c. Ground within the City held for building purposes, and not built upon, should be charged proportion of rate one-fourth, or at least one-eighth.

Vacant property and building land should be taxed.

APPENDIX VII.

Memorandum prepared for the Commission by Mr. J. R. Dagg,
Clerk to the Baltinglass Union, Co. Wicklow. [See MINUTES OF
EVIDENCE, QUESTIONS 24,349-24,517.]

APP. VII.

1. The Government valuation of Ireland in 1897 was 14,326,566*l.*, of which sum about 9,000,000*l.* was upon land, and the remainder (some 5,000,000*l.*) on buildings, &c. Valuation of Ireland in 1897.

2. All local taxation is levied upon this valuation, which was made in accordance with the provisions of 15 & 16 Viet. c. 63, and which is commonly called "Griffith's Valuation." It was based upon the "net annual value of land with reference to the average prices of agricultural produce" therein specified.

Griffith's Valuation, basis of Comparison of the prices of agricultural produce in 1852 and in 1897 Effect of the changes in prices upon the valuation.

The prices set forth in the Act are as follows, and parallel with them I quote the prices for the same commodities in 1897, according to "Purdon's 'Farmers' Almanac'":—

	Price per Act of 1852.	Price in 1897.
Wheat, per cwt.	7 6	6 9½
Oats "	4 10	4 4½
Barley "	5 6	5 5
Butter "	65 4	75 8
Beef "	35 6	39 2
Mutton "	41 0	47 5
Pork "	32 0	28 6

As regards prices, I desire to point out that nearly all the cereal produce is sold at a low price immediately after the harvest, as the small farmers are living from hand to mouth. It is only the well-to-do can afford to hold over until spring for higher prices.

3. From the foregoing it is evident that grass lands are more profitable than tillage, because the products are dearer, and especially when the increased cost of production is considered. Hence the consensus of opinion is that the changes wrought by the effluxion of time have rendered the valuation made under the Act of 1852 somewhat defective. Grazing lands were valued lower comparatively than tillage lands, and as the working of such farms does not require as many labourers as husbandry, the burden of poverty fell upon the districts containing the smaller and poorer holdings in which tillage was followed.

APP. VII.

4. An occupier, therefore, has to pay rates upon a standard annual value, whether he enjoys a corresponding profit or not. It does not necessarily follow that an uniformity of poundage rating means an equality of sacrifice.

For, as a rule, more burden is entailed upon 100 men valued at 10*l.* each to pay a rate of 1*s.* in the *£* than upon one man to pay the same poundage rate on 1,000*l.*

5. But as the liability to contribute rents upon everyone, some broad principle, equitable and sound, must be adopted, and in view of a revision of the valuation of Ireland, a proper basis would be the rents fixed by the Land Courts. Amongst the many advantages of this plan is that of inexpensiveness. Then these rents are fixed excluding the tenants' improvements, and cannot be objected to on the ground of being a tax on labour and industry. Besides the tenant will be sufficiently burdened in the fixing of the rent with "the share in the inherent properties of the soil" to which the owner is adjudged to be entitled.

In connexion with the inexpensiveness of the plan of taking the Land Court rents as the standard of the valuation of Agricultural Land, it is well to note that on upwards of three-fourths of the farms in Ireland rents have been fixed by the Land Court.

6. Any addition to the rental by way of tenant's interest, calculated according to prices realised by auction, would only result in a complete absence of uniformity, the circumstances under which "fancy prices" have been obtained are so varied. The following case will illustrate the foregoing:—

W. D. held two farms at Rahen, each containing about 20 acres, and valued at 14*l.* He sold one to a shopkeeper for 180*l.* If this purchase money were to be an element in fixing the valuation, the shopkeeper's holding would be valued at nearly double that of W. D. I may remark, it is small farms and land adjacent to towns that command high prices, not the large farms for whom there are fewer competitors.

7. The existing valuation is annually revised—so far as buildings and names are concerned—by officers appointed by the Commissioner of Valuation. Lists of changes are supplied to these officers by the rate collectors through the clerks of the Unions.

The revising officer attends in the private room of a country hotel, and having interviewed the rate collectors, he then and there performs the revision; unless, of course, in the case of a new building, which he visits in the first instance.

Under the new system the Rate Collectors cannot properly discharge the duty of supplying the lists of tenements requiring revision, as they will have no book on which to note changes of ownership, occupancy, or other alterations in tenements. They are only supplied with a receipt book, on the blocks of which memoranda are to be made.

8. Often time will not permit of notice of the revision being given, and everything is done *in camera*. Very questionable practices have originated under this system. Sons and grandsons without a particle of title are rated so as to evade the income tax, and women are rated so as to prevent their husbands or sons from being required to act as jurors.

9. In many instances an extraordinary disproportion exists between the value of new houses compared with old ones, and between valuations of houses of a similar class made on different revisions. The following may be quoted as examples:—

	Old Valuation.	New Valuation.	Comm.
Ballybrook, house	£ s. 10 0	£ s. 30 0	A new wing. Not valued for 30 years. Refused to enable occupier to get a grocer's licence. The house next door, which is exactly the same, is still valued at 4 <i>l.</i> 10 <i>s.</i>
Holdstown " "	Nil.	30 0	
Deulevia " "	4 10	8 0	
Again—			
Davidstown, house	-	-	Valuation £ s. d. 6 7 0
Holdstown, house	-	-	" 7 5 0 (worse)
Collin, house	-	-	" 2 5 0 (better)
Kylmore Castle	-	-	" 225 0 0
Humewood Castle	-	-	" 75 0 0 though it was probably equally as costly.

Instances of such discrepancies could be multiplied.

10. Poor rates in Ireland have up to the present been levied by Boards of Guardians, and Urban rates by Town Commissioners or Municipal bodies, under the powers vested in them by Statute.

The poundage rate was determined by these Authorities upon an estimate submitted by the several clerks of Unions and Town clerks. Many Local Authorities, however, systematically reduced their clerk's estimate, and were, consequently, in a state of chronic indebtedness.

11. The areas of taxation were various. As regards Poor Law they were:—

- (a) Electoral Divisions, (b) Dispensary Districts, (c) Townland, (d) Groups of Townlands, (e) Sections of Union, (f) Union at Large.

The County rates were levied on the following units:—

- (g) County at large, (h) Barony, (j) Townland, or part thereof, and (k) Parishes.

12. The system of Union rating to be established by the Local Government Act will apply to all Poor Law expenditure, except "special sanitary expenses" leviable off a prescribed area.

13. Electoral divisions have been fixed as the area of charge for the cost of the sewerage of towns—works which are purely and simply for the benefit of private property and the residents therein. The rural occupiers have, therefore, to pay for what cannot be held to be a benefit to them.

The injustice referred to has been intensified by the Order of the Local Government Board of the 15th May 1899, which fixes the Rural District as the area of charge for special sanitary expenses.

Is it just to charge a whole Rural District with the cost of lighting a Town?

14. The following typical case will show to what extent real and personal property contribute to local taxation.

Lord A. lets five perches of a building plot in the town of Baltinglass, on long lease at a rental of 10s. per year. The lessee builds a house thereon valued at 8l. The average poundage rate is 2s. 6d.

Hence, Lord A. contributes 1s. 3d. in £ on 10s. = 7½d.

The lessee pays 1l. minus 7½d. or 19s. 4½d.

Therefore, 32 such lessees pay on personality, 31l.

The lessor on realty allows 1l.

The rent received by the lessor is at the rate of 16l. an acre for the land comprising the site, the letting value of which for agricultural purposes (judging by similar land adjacent) is only 2l. The lessor thus enjoys the unearned increment of 14l. per acre. The full payment of the occupier ranks as personality, because the entire value is on the buildings; there is none on the site, which is included under "waste, streets, &c."

I admit that by a fiction of law buildings are held to be realty. But a man's house should no more rank as realty than his clothes or his carriage, for, as Mill says: "the buildings, like the cattle, are not land, but capital regularly consumed and reproduced."

15. According to section 54 (2) of the Local Government Act, 1898, ground rents heretofore taxed to the extent shown in Lord A.'s case will in future only bear half the standard rate, which being less than half the ordinary rate that generally obtained in Towns will be the means of casting an extra burden on the occupiers of the Union generally. In the case before me, Lord A.'s liability will be half of 8½d. instead of half of 1s. 3d. per site.

16. Houses in Irish towns have been mostly built by the occupiers or their predecessors in title; they are invariably repaired and reconstructed by them, and a tax upon same is a tax on labour.

17. Of the Local Government (Ireland) Act, 1898, as yet but little is known. The Irish people for the most part have the conviction that some change has been effected revolutionising the system of local taxation. They have, however, no definite ideas as to the nature of the change. The most striking effect of the new law is the enactment which transfers the incidence of local taxation from the owners and occupiers jointly to the occupiers alone, upon whom all future taxes will be imposed.

18. Heretofore the occupying tenant was entitled to deduct half the poundage rate on the rent payable by him—further limited to a maximum of half the assessment. The object of this limitation was that the less the occupier's rent the more rates

ART. VII.

Poor and urban rates. Determination of rate in £ under the old system.

Areas of taxation under the old system for Poor and County Rates.

Union rating now established under the Local Government Act (Ireland).

Sewerage and special sanitary expenses. Charge of area over which they are levied.

Local Government (Ireland) Act, 1898. Incidence of taxation now entirely upon the occupier except as regards half the "standard rate." Effect upon owners of ground rents and occupiers.

APP. VII.

proportionately he had to pay, and no matter how high it was he would not be allowed more than half the assessment. At first a tenant paying a rent of twice the valuation was entitled (by 1 & 2 Vict. c. 56, s. 74) to deduct all the rate, but this right was curtailed by 12 & 13 Vict. c. 104, s. 11.

Agricultural Grant
and alteration of
incidence of Poor
Rate. Net loss
to occupiers.

19. It is difficult to forecast with accuracy the effect of the Act of 1898, but one fact is plain, and that is the occupiers will, in future, have to bear all local rates, less by the Agricultural Grant of 750,000*l.* a year, which grant is calculated to meet a moiety of the rates falling upon agricultural land in the standard year 1897.

20. The following were the rates made in that year:—

	£
Poor Rate (as per Local Government Board's Report)	1,034,644
County Cess (estimate from "Thorn's Almanac")	1,323,312

Assuming the moiety of the County Cess to be 1*s.* in the £ the grant in respect of the same (9,000,000*l.* at 1*s.* in £) amounts to 450,000*l.*, leaving a balance of 300,000*l.* grant in aid of Poor Rate.

Now, the occupiers at present are entitled to deduct half of 1,034,644*l.* or 517,322*l.*, and deducting the 300,000*l.* grant as a set off they lose 217,000*l.* a year, so far as Poor Rate is concerned.

Public Health
Acts expenses are
to be excluded
charges when
fixing the
"standard rate"

21. Section 57*b* n. of the Local Government Act enacts that Public Health Acts expenses are to be "excluded charges" when the Standard rate is being determined.

These were in the standard year:—

	£
Public Health Acts expenses	55,594

The occupiers at present are allowed a moiety of the foregoing amount, but *hereafter* the incidence will be upon them alone, save to the extent to which section 57(4) and section 54(9) may operate, and land values will escape taxation.

Section 54(9) of the Local Government (Ireland) Act continues, *until the next judicial rent is fixed*, the right of an existing tenant to deduct half the poundage rate in respect of Public Health Acts charges.

Agricultural
Grant and altera-
tion of incidence
of rates. Net
gain to occupiers.

22. The effect may be surmised in another way.

	£	£
The occupiers now pay—		
Half Poor Rate	517,322	
Full County Cess	1,323,312	
	<hr/>	1,840,634
In future they will pay—		
Full Poor Rate	1,034,644	
Full County Cess	1,323,312	
	<hr/>	2,357,956
Minus grant	750,000	
	<hr/>	1,607,956
Net gain		<hr/> 232,678

Local Government
(Ireland) Act,
1898. Change in
the incidence of
rates.
Illustrations of
effect on landlords
and tenants.

23. To illustrate the operation of the Local Government (Ireland) Act in respect of the incidence of rating, I desire to submit the following specimens. Firstly, take the case of a holding valued at 39*l.*, of which 8*l.* 10*s.* is on buildings.

Present Rates.

	£ s. d.	£ s. d.
Poor Rate at 2 <i>s.</i> 6 <i>d.</i> in £	4 17 6	
County Cess at 1 <i>s.</i> 8½ <i>d.</i> in £	3 5 10	
	<hr/>	8 3 4
Deduct ½ Poor Rate allowed by landlord		2 8 9
	<hr/>	<hr/> 5 14 7
Balance paid by tenant		

Future Consolidated Rate.

	£	s.	d.
Land at 1s. 3d. in £ for $\frac{1}{2}$ year, i.e., 30l. 10s. at 2s. 6d. in £	3	16	3
Buildings at 2s. 1 $\frac{1}{2}$ d. in £ for $\frac{1}{2}$ year, i.e., 8l. 10s. at 4s. 3d. in £	1	16	1 $\frac{1}{2}$
Total	5	12	4 $\frac{1}{2}$
Deduct reduction of rent in respect of buildings, 8l. 10s. at 9d. in £	0	6	4 $\frac{1}{2}$
Balance paid by tenant	5	6	0
Allowance, as above, borne by landlord	0	6	4 $\frac{1}{2}$

Result.

Total gain to tenant	0	8	7
Total gain to landlord	2	2	4 $\frac{1}{2}$

24. This is the result in the highest rated Electoral Division in this Union, where the Agricultural Grant should be expected to operate materially. The following is an example in the lowest rated Division:—

Electoral Division of The Grange.

Holding valued at 38l., of which 2l. is on buildings.

Present Rates.

	£	s.	d.	£	s.	d.
Poor Rate 38l. at 10d. in £	1	11	8			
County Cess at 1s. 8 $\frac{1}{2}$ d. in £	3	4	1 $\frac{1}{2}$			
				4	15	9 $\frac{1}{2}$
Deduct $\frac{1}{2}$ Poor Rate allowed by landlord	0	15	10			
Balance paid by tenant	3	19	11 $\frac{1}{2}$			

Future Consolidated Rate.

	£	s.	d.	£	s.	d.
Land 36l. at 2s. 6d. in £	4	10	0			
(Year's assessment.)						
Houses 2l. at 4s. 3d. in £	0	8	6			
(Year's assessment.)				4	18	6
Deduction of rent re buildings, 2l. at 9d. in £ being $\frac{1}{2}$ standard rate	0	1	6			
Balance paid by tenant	4	17	0			
				£	s.	d.
Incidence on landlord as above	0	1	6			
<i>Result.</i>						
Loss to tenant	0	18	0 $\frac{1}{2}$			
Gain to landlord	0	14	4			

It is significant that "buildings" will now bear a higher poundage rate than "land," a fact which is opposed to the principles held by economists of authority.

25. But the net benefit shown is too favourable an estimate as certain grants "heretofore made" will cease according to the provisions of section 58 (2) of the Act, and which I am not in a position to specify.

ART. VII.

Agricultural Grant.
Effect on occupiers.
What the smaller
occupiers gain as
"relief-givers" they
will lose as
"taxpayers."

26. The agricultural grant is equivalent to a bounty of 9d. per acre on the area of Ireland, 20 million acres. This bounty being raised by revenue in a tax on the community at large amounting to 3s. 4d. per head. Hence the benefit to the smaller occupiers is altogether equivocal, as if they gain by "bounty" they lose in "revenue," but the larger occupiers will gain the sum that the subvention grant on their valuation amounts to minus their contribution to revenue.

That this anticipation is correct has been substantiated by the fact that the poundage rate upon agricultural land, exceeds the subvention, i.e., agricultural grant, and the excess falls entirely upon the occupiers.

I quote the figures relating to this Union which extends into three counties as follows:—

	Rate on Land.	Agricultural Grant.	Excess.
No. 1 Wicklow - - - -	17d. in £	10d. in £	7d. in £
No. 2 Carlow - - - -	11d. "	10d. "	1d. "
No. 3 Kildare - - - -	11d. "	9d. "	2d. "

27. It may be said that the occupiers will benefit by any reduction in future taxation, but this is rather chimerical, as local taxation has always increased with legislative expansion, and the increase is more likely to continue than for an ebb to set in. The Poor Law Nursing Reform movement has recently led to extra officers being employed, and consequently larger expenditure.

In Baltinglass Union the increase amounts to over 200 per cent.

Labourers' Acts.
Expenses a burden
upon small
occupiers.
Illustration from
the Baltinglass
Union.

28. The incidence of taxation consequent on the working of the Labourers' Acts has imposed a burden on small occupiers which they are unable to and should not bear. Such occupiers have to pay for cottages for labourers who do not work for them but for the large farmers. It is only farmers valued at 40L., and upwards, who employ a labourer living in a Guardians' cottage; the farmers valued under that amount either perform their work by means of their family, or keep a servant boy.

In the aggregate the valuations of the smaller are more than that of the large farmers.

29. In the electoral division of Tinknock my Guardians have erected six cottages. The valuations of the tenements are as follow:—

	£	s.	d.
8 holdings valued at 40L. and up	-	417	10 0
119 " " under 40L.	-	1,237	5 0
Total	£1,654	5 0	

The loss sustained by the erection of these cottages is approximately 25L. a year. Consequently the small farmers have had to pay three-fourths of this sum (amounting to 4d. in £) for the benefit of their larger neighbours.

As regards the cost of the future operations under the Labourers' Acts, it is clear that the entire cost will fall upon the occupier, as section 17 of the Labourers' Act of 1883 has been repealed in the schedule to the Local Government (Ireland) Act.

30. In the past the occupiers were allowed a moiety of this rate. In the future they will not. Vide sec. 57 s. II. of Local Government Act.

The loss per cottage is accounted for in this way:—

	£	s.	d.
Loan 121L. at 4L. 9s. 2d. per cent.	-	5	7 0 yearly
Credit.—Rent at 1s. per week (2L. 12s.) less outgoings, ground-rent, 10s. collection, 5s., insurance 1s. 6d., rate, 1s. 6d., cess, 2s., repairs, 10s.; total, 1L. 10s.	-		
Leaving net rent	-	1	2 0
Yearly loss per cottage	£4	5 0	

In this Union there are 145 labourers' cottages built, involving a rentcharge of—

APP. VII.

770 <i>l.</i> a year, plus outgoings, 175 <i>l.</i>	Total -	945
Credit—weekly rents	" -	377
	Loss -	£568

or say 2*d.* in £ on valuation of union (73,000*l.*).

31. The necessity which undoubtedly exists for the improvement of the houses of the labouring classes should be made an individual responsibility, as it was under the Land Acts, and not a corporate one. The present system is extravagant (the legal expenses involved often equal the fee simple value of the plot), and if it be pursued so as to meet the requirements of the labourers it will entail a burden of taxation which the smaller occupiers should not justly bear. For one cottage erected by a Board of Guardians two could be erected by a private individual for the same amount; and the State—if it vests the occupiers with interests adverse to the rest of the community—can impose duties on occupancy as well as confer rights.

Housing of the labouring classes should be made an individual responsibility.

It is questionable, even from the standpoint of State Socialism, if it be judicious for the Government to undertake the function of providing houses or lands for one section of the people alone (however necessitous they may be) at the public cost; especially as it is feasible to remedy the cause of complaint, more economically, by compelling individual citizens to do their duty, and at the same time afford them every facility to do so.

Thus, while ensuring the improvement of the habitations of the people, and protecting them against capricious eviction, the burden of local taxation would not be increased.

JOHN RALPH DAGO.

APPENDIX VIII.

Table furnished to the Commission by Colonel J. P. Nolan,
Chairman of the Galway County Council.—[See MINUTES OF
EVIDENCE, QUESTION 24,771.]

APP. VIII.

STATEMENT, showing the RATES made in the RURAL DISTRICT OF LOUGHREA (CO. GALWAY)
for the FINANCIAL YEAR ending 31st March, 1900.

Loughrea Rural District, Rates made in 1899-1900.

	For the Half Year ending—			
	30th September 1899.		31st March 1900.	
	Land.	Other Hereditaments.	Land.	Other Hereditaments.
GENERAL DISTRICT POOR RATE.				
In respect of:—	<i>d.</i>	<i>d.</i>	<i>d.</i>	<i>d.</i>
County-at-large charges	7	9	7	9
Union charges	21	3½	21	3½
District charges	7	10	7	10
SEPARATE CHARGES.				
No. 1. River Sack Drainage	—	—	—	—
No. 2. Lough Corrib Navigation	—	—	—	—
No. 3. Loughrea and Arkenney Railway	2	2	—	—
No. 4. Sergeant Glanville's compensation (Malicious Injury)	15	15	—	—
No. 5. Contribution to Shannon Development Company	—	—	—	—
No. 6. Compensation for Criminal Injury	—	—	—	—
No. 9. Do. do. do.	4	4	—	—
No. 12. Do. do. do.	14	14	—	—
No. 14. Public Health Charges	—	—	—	—
No. 14a. Loughrea Water Supply	2	2	—	—

APPENDIX IX.

Memorandum prepared for the Commission by Mr. W. M. Battersby. [*See MINUTES OF EVIDENCE. QUESTIONS 24,983-25,101.*]

Art. IX.
—

1. I am a house and estate agent carrying on business in Dublin, a J.P. of the City of Dublin, and I was for several years a Commissioner of the Pembroke Township.

2. I am thoroughly acquainted with the poor law valuation of the City and County of Dublin, including the adjoining townships.

Dublin. A
re-valuation is
necessary.

3. This valuation was made about 40 years ago, and is most uneven, inconsistent, and, in the majority of cases, is far below the rental or rental value. In many cases it is about two-thirds, sometimes one-half, and frequently but one-fourth of the actual value. This applies more particularly to the business portions of the City, to villa and suburban residences, and to land in the neighbourhood of Dublin, which is valued at from 1*l.* to 3*l.* per acre, which is of value from 10*l.* to 50*l.* per acre and frequently much more. A re-valuation is, therefore, absolutely necessary to secure equality of taxation and enable a sufficient revenue to be raised for growing municipal wants.

Dublin.
Instances of under-
valuation.

4. The following are a few instances taken from "Thom's Directory" and compared with witness's knowledge of the value, viz. :—

(i.) *Saint Andrew Street, City of Dublin.*

Several houses rated at one-half and one-third of their letting value.
One house rated at 145*l.*, the letting value of which is over 600*l.*

(ii.) *Clare Street, City of Dublin.*

The valuation here is most inconsistent, one side being nearly up to the actual value and the opposite side about one-half.

(iii.) *College Green, City of Dublin.*

Is rated at about one-third of its actual value; the total rating is about 7,200*l.*, the actual value about 22,000*l.*

(iv.) *College Street, City of Dublin.*

One house rated at 400*l.* per annum, the actual value of which is at least 1,600*l.*

(v.) *The Commercial Buildings, Dame Street, City of Dublin.*

Rating 520*l.*, value over 2,000*l.*

(vi.) *Dame Street, City of Dublin.*

The rating is from one-third to one-half of the actual value.

(vii.) *Dawson Street, City of Dublin.*

The rating is from one-third to one-half of the actual value.

(viii.) *North Earl Street, City of Dublin.*

One house rated at 50*l.* per annum, recently sold for 3,000*l.*, subject to a rent of 100*l.* Another rated at 90*l.* per annum, recently let at 250*l.* with a premium of 500*l.*

(ix.) *Grafton Street, City of Dublin.*

There are several very striking instances in this street, in many cases the rating is only one-fifth of the actual value.

(x.) *Henry Street, City of Dublin.*

Several in this street also.

(vi.) *Sackville Street.*

Is rated at about from one-third to one-half its actual value.

(vii.) *Westmoreland Street, City of Dublin.*

Is rated at about from one-third to one-half its actual value.

(viii.) *Insurance and public buildings are rated at something like one-third of their actual value.*(ix.) *Trinity College, Dublin, which covers 30 acres in the heart of the city, is rated at 6,300*l.* per annum. The land alone should be value for three times that sum.*(x.) *The Bank of Ireland, which occupies only 2½ acres, is rated at 3,800*l.**(xi.) *The Residential parts of the city, such as Merrion Square, Fitzwilliam Square, and the adjoining streets, Mountjoy Square, &c., are rated nearly up to the actual value.*

5. In the adjoining townships and suburbs there are numbers of cases where the rating is far below the actual value; many instances can be given in Clonsilla, Blackrock, Roshuck, Clonskeagh, Clontarf, Donnybrook, Kingstown, Monkstown, Rathgar, Pimhruke, and other places.

6. Local values frequently change from many causes; these should, therefore be periodically re-valued. All property should be fully rated, so that each should bear the fair proportion, and there should be no exemptions.

Periodical re-
valuations
necessary.
Exemptions.

7. The Castle, Law Courts, Barracks, and other public buildings, are also very much undervalued, and the county in lieu of rates paid is very much less than the amount which such property should contribute to the rates.

Government
property is under-
valued.

8. The owners of ground rents or ground values should contribute their fair proportion towards the rates, the entire burden of which at present falls on the owner or occupier of the premises.

Ground rents
and values
should be rated.

9. The valuation should be made by or with the assistance of local valuers or Assessment Committees, who have a knowledge of the local value, as in England.

Valuations should
be made by Local
Bodies, or with
their assistance.

10. Occupiers should be obliged to pay the rates so as to give them an interest in the representation and to induce them to see that the rates are kept as low as possible and that due economy is practised in the administration. In many cases in the City and County of Dublin, and in all the townships, the practice is to include the rates and taxes in the rent; they, therefore, fall on the landlord, and the occupier is careless as to whether an increase takes place.

Rates should be
paid directly by
occupiers.

APPENDIX X.

Memorandum prepared for the Commission by Mr. H. de F. Montgomery, Vice-Chairman, Tyrone County Council.—[See MINUTES OF EVIDENCE, QUESTIONS 23,184—25,305.]

1. The faults of the existing Tenement valuation have already been brought to your notice.

Griffith's
Valuation.
Cause of in-
equity in valua-
tion of agricultural
land. No serious
injustice inflicted.

2. Apart from errors or oversights in individual cases, they arise (as regards land)—

- (i) from the change in values and the condition of the country between the date when the earlier valuations were made and that when the last were made (Ulster);
- (ii) from the change in the relative value of grass and tillage lands respectively between the period when the valuations were made and the present time; and
- (iii) from drainages, reclamations, increased value of peat bog, &c.

APP. X.

3. The injustice inflicted on individuals by such inequalities as exist in the valuation of land, apart from buildings, is not very serious and causes no serious discontent.

4. It would be a good thing to correct them by a new valuation if such valuation could be made—

(i) without absorbing money wanted for other purposes from which the body of ratepayers in this country would derive more benefit, such as complete registration of title and organization of real credit;

(ii) without creating more dissatisfaction than it would remove;

(iii) with any security that the new valuation would not be on the whole worse—i.e., more unequal—than the old.

5. No better system than that laid down by Sir Richard Griffith has ever been devised.

6. It is virtually identical with that adopted for the basis of the *Grundsteuer* in Prussia.

7. A new valuation could not be made on this system in Ireland under present circumstances.

8. The necessary valuers are not to be had.

9. The majority of those who might otherwise be available are in the employment of the Land Commission, and have been spoilt by the methods of that body for such work as Sir Richard Griffith required from his valuers, as described to you by the Commissioner of Valuation. Such of them as are not spoilt could not be spared from the work of the Department they now serve.

10. For the last 20 years the question of valuation has been mixed up with the question of rent.

11. "Griffith's valuation" was constantly in the mouth of the Land League leaders.

12. The question of rent has been made a political question.

13. When Griffith's valuation was made, the minds of the valuers were not disturbed by political or class bias or pressure. Landlords and tenants combined to prevent any lands being too highly rated.

14. Now everyone is "a landlords' man" or "a tenants' man," or is regarded as such.

15. Every valuation would be publicly canvassed from the point of view of its effect on judicial rent or rate of purchase under the Land Purchase Acts.

16. It appears to be suggested that rents actually paid should be adopted as the value for rating purposes.

17. This does not seem to be a rational system even in a country like England, where most lands and houses are rented on business principles.

18. In Ireland it would be singularly inappropriate for Parliament to substitute rents for valuation on Griffith's lines at the very time when the renting of land is being largely abolished by the operation of the Land Purchase Acts.

19. Apart from this, rent as a test of market value has, as regards agricultural holdings, been abolished by the Land ["Fair Rent"] Acts.

20. It has been suggested that a new valuation might be based on the results of the operation of these Acts, i.e., on judicial rents.

21. The want of uniformity in Griffith's valuation is a fleabite to that which would ensue from the adoption of judicial rents as a basis of valuation.

22. The Morley Committee and the Fry Commission agree in finding that in the fixing of these rents there has been "neither a common understanding of the law or 'anything approaching to uniformity in practice.'"

23. Many examples of striking inequalities may be found in the Minutes of Evidence to the Fry Commission.

24. Some 180,000 rents have been fixed in this way.

25. Some 128,000 have been fixed by agreement.

26. The circumstances under which these agreements have been come to make them as wanting in uniformity, or nearly so, as those fixed by the Courts. They are not market value rents, fixed on business principles, such as, I believe, are to be found in England and Scotland.

27. It has been suggested that the inequalities and inadequacy of judicial rents might be corrected by additions representing the value of the tenant's interest.

Agricultural Land.
A new valuation is desirable, and there is no better system than Griffith's, but it would be difficult to make a new valuation on this system under present circumstances. Reasons for this view.

Agricultural Land,
Valuation of, on the basis of "rental value" as in England would be applicable to Ireland.

Agricultural Land,
Valuation of, "Judicial rents" as a basis of valuation would result in great inequality. Even if a rate were added to these rents to represent the tenant's interest, the results would still be unsatisfactory.

28. The tenant's interest in individual cases is a purely capricious and fancy value.

29. All averages, on the other hand, are fallacious.

30. No satisfactory valuation for rating purposes could be made on these lines, either as regards the holdings on which judicial rents have been fixed or as regards others on which no judicial rents have been fixed.

31. It is also to be expected that a new valuation above the judicial rents would create an uproar, owing to the idea that future fixings of fair rent would be influenced by it.

32. A new valuation below the judicial rents would give rise to an agitation against those rents.

33. As the inequalities of Griffith's valuation of land within any given administrative area are unimportant, it would on the whole be better to leave it alone.

34. People are used to it.

35. Transactions on the basis thereof have taken place with regard to many holdings.

36. Within the next few months rents will be adjusted all over Ireland on the basis of the rates of 1897, calculated on the existing Tenement valuation.

37. The substitution of a new valuation within a few years of this adjustment would substitute a new basis, and lead to demands for a readjustment of rents which would create confusion.

38. If it is considered necessary, in spite of these reasons against it, to attempt an equalisation of the valuation of different parts of Ireland, it should be done by percentage alterations on the basis of the figures given you in paragraph 4 of the Irish Local Government Board's Memorandum,* but under present circumstances it would be better to level up and down to the standard of a medium county, such as King's County, than to level up to that of Ulster.

39. While no attempt at a new valuation of the soil of the country can be recommended, a revision of the Boundary Survey, in connexion if possible with a large scale (25-inch) Ordnance map, is urgently needed, in order to see that each ratepayer is paying rates on the land actually in his occupation and none other.

Such map and revised boundary survey are urgently needed for the proper carrying out of registration of title, and for the facilitation of the operation of the Land Purchase Acts. The trouble and cost to the landlord of providing correct maps is not only a grievance but causes serious delay and discouragement to purchase operations.

40. No time should be lost and no money withheld for pushing on this necessary work.

41. There appears to have been some want of accuracy in defining the boundaries of holdings at first.

42. At the period when it was made landlords and agents took no great interest in the correctness of boundaries and areas of lettings from year to year.

43. Since then there have been innumerable changes in boundaries which have remained unrecorded.

44. I find that the Valuation and Survey Office people make all necessary corrections most promptly and correctly when their attention is called to a change or an inaccuracy.

45. The duty of giving them notice of changes has, however, been put on the rate collectors.

46. Where a new building has been put up, which would increase the valuation, and therefore the total rate, and the collector's poundage, the rate collectors have performed their duty tolerably well; but in cases of houses falling into ruin or being removed, and still more in cases of change of boundary, they seem to have so largely neglected their duties in this matter, that nothing but a perambulation of all boundaries by Valuation and Boundary Survey Office officials can now put things right.

47. The new Ordnance map and boundary survey should be put in hand at once. It will be possible to carry it out more quickly and cheaply for all the country if the revising valuers are not required to value at the same time as they correct boundaries.

48. The valuation of houses and the revision thereof as carried out by the General Valuation Office are not unsatisfactory, but the powers of this office should be enlarged, and the means at its disposal increased. No other Authority could do the work as well as this office.

Agricultural Land, Valuation of. Griffith's Valuation should be allowed to stand, but an equalisation might be effected on certain lines.

Boundary Survey of Ireland. Revision desirable. Present system of recording changes in boundaries of holdings is unsatisfactory. Many changes remain unrecorded.

Buildings. Revision of valuation. Powers of Valuation Office should be enlarged.

* See C. 5764—1898, p. 139.

APP. X.

Agricultural land.
Relief to occupiers
by the "Agricultural Grant"
inadequate.
Expenses have
increased since
the "Standard
Rate" was fixed,
owing to the
provisions of the
Local Government
Act, &c.

49. Rural ratepayers in this country consider that they are subject to the same grievance as the owners and occupiers of land in other countries, and to a greater extent than in many, i.e., that they are on the whole more heavily taxed in proportion to their ability to pay, and to the advantages they enjoy, than other classes.

50. The Agricultural Grant has not gone far to redress this grievance.

51. The occupier of an average rating (land and buildings in due proportion) does not pay much less than he paid before.

52. The amount being raised by rates this year is substantially larger than it was in the "standard year."

53. The theory of fixing the amount of the Agricultural Grant on the basis of the standard year was that the new local government electors should bear the whole burden of any extra expense they incurred. Now they have not incurred any extra expense, but extra expense has been put on them by the provisions of the Act of Parliament, and various Orders of the Privy Council and Local Government Board under it, for which the local government electors—the ratepayers—are not responsible, and it is a grievance that they should be denied relief out of an Agricultural Grant in respect of them.

54. The increase of rates in recent times has arisen, not so much from voluntary action of local bodies, as from burdens imperatively placed on them by Parliament.

55. The Local Government Act has been too short a time in operation to enable an exact judgment to be formed as to its permanent effect on the amount and the distribution of the burden of local taxation, but there seems no doubt that the relief which the Agricultural Grant purports to provide will prove inadequate.

56. It does not seem practicable to relieve the agricultural landowner and landholder by any more just system of direct local taxation, according to "means and substance."

57. But further relief should be given by—

- (1.) An additional Agricultural Grant, sufficient to relieve rates paid in respect of the charges excluded by section 57 of the Local Government Act.
- (2.) By taking the charge and control of Lunatic Asylums off the local ratepayers altogether.
- (3.) By a special grant in aid of the Maintenance of Indoor Paupers and Work-house Hospitals.

Agricultural land.
Further relief
should be given
in aid of ratepayers.
Manner in which
this should be
done.

APPENDIX XI.

Memorandum prepared for the Commission by the Right Hon. Henry Bruen.—[See MINUTES OF EVIDENCE, QUESTIONS 25,306-25,357].

APP. XI.

Griffith's Valuation was very carefully made. A new valuation would have to be made under very different conditions. How rents would be affected.

1. The valuation of real property in Ireland, known as "Griffith's," now used as a basis for the assessment of rates and taxes, was carried out by men specially trained for the duty they had to perform, directed by superintendents of experience and skill, and conducted on scientific principles.

2. The time that was occupied in the work enabled them to give the necessary consideration to all the varying circumstances of the tenements. A new valuation of Ireland could not be satisfactorily made unless similar means are applied to the work, and it is at least doubtful whether materials are available for enlisting an equally efficient staff, except at the expense of much time and money.

3. The conditions under which a new valuation would be made are different from those present when Sir R. Griffith worked. Ireland was then just beginning to recover from a great calamity, which had nearly paralysed hope and exertion among the farming and commercial classes; but prospects were brighter, prices of farm produce were beginning to improve, and the field valuers, as a general rule, were not subjected to influences which might tend to control and alter their own judgment.

4. At the present time there is much popular excitement about the rate of rent and the profits to be made from land in Ireland. It would be impossible to dissociate a new general valuation from the idea that the level of rent would be determined by

that valuation, and every effort and device would be used to induce the valuers to adopt a very low estimate in relation to tenements in the occupation of the majority of the farming classes. It may also be predicted that attempts would be made in the direction of relieving the occupiers of smaller holdings from some of the burden of the rates, at the expense of the occupiers of larger holdings, by an unduly high valuation of the latter.

5. The grounds of objection to the existing valuation appear to be three:—

- (1) That as a whole it is too low;
- (2) That as a whole it is too high;
- (3) That it is an unequal measure of value—
 - (a) as between different classes of land;
 - (b) as between rating areas in different parts of Ireland.

Griffith's Valuation. Objections which have been taken to it.

Agricultural Land. Valuation said to be too low. This objection can only apply to land, and if the valuation was fair in 1855 it is not too low now.

Agricultural Land. Valuation said to be too low. This objection can only apply to land, and if the valuation was fair in 1855 it is not too low now.

Re-valuation of Ireland: A general and equal alteration would not affect the ratepayers. Effect upon Income Tax.

Griffith's Valuation said to be too high, but no injury is suffered in consequence.

6. The first objection can apply only to land, for the annual revision of the valuation takes account of, and adds to the valuation lists any additions to hereditaments other than land, and any increased value of such hereditaments. Sir R. Griffith stated that at the time when his valuation was made a rent 15 per cent. to 25 per cent. above it would be the ordinary rent to be paid by an ordinary agricultural tenant of land from year to year. It cannot be said that the judicial rents fixed by the Land Courts would now bear this ratio to the valuation, taking the land of the whole of Ireland, and if Sir R. Griffith's Valuation was a fair one for rating purposes in 1855, it cannot be considered too low now, having regard to the proportion it bears to the rental value.

7. The Commissioner of Valuation appears by his evidence given to this Commission,* to be of opinion that the present rents as fixed by the Land Courts do not represent the rental value as Sir R. Griffith found it, and that, in order to arrive at a true measure of value for rating purposes, the value of the tenant-right, or tenant's interest in his holding, must be added to rent. He added that the tenant's interest included the improvements, all of which he asserted were, in Ireland, made by the tenants, a statement which must be distinctly disputed.

8. Whether the judicial rents of land as fixed by the Land Courts are depressed by taking into account the tenant-right or tenant's interest apart from his improvements, is a disputed question. Some of the Land Commissioners have admitted, others denied, that they did so treat the matter. If a new valuation should be made, based on rents paid and on a valuation of the tenant's interest, these two elements must be separately valued and entered in the valuation lists, for it would be manifestly inequitable to compel an owner to pay rates and taxes on that part of the hereditament which is not his property, and from which he derives no income or advantage.

9. It is difficult to see how such a hereditament as tenant's interest can be valued, or to prove that the possessor enjoys it as a source of profit, unless it is in the nature of a fine paid to reduce the rents.

10. A general and equal alteration of the valuation would not affect the local taxpayer.

11. The amount to be levied in each rateable area would not be increased or diminished thereby, and a higher rate on a low valuation or a lower rate on a high valuation would not alter the sum to be paid by him.

12. A general increase of the valuation of Ireland would not be likely to produce any sensible increase of income tax. Nearly all the occupiers of holdings would escape under the exemption and allowances classes of the Income Tax Acts. The owners of tenanted lands would also escape under the arrangement by which they can claim to pay the tax on the rent received, if lower than the valuation.

13. The only class affected would be the few occupying owners of large holdings, and the increase derivable from the new impost would be inconsiderable as a whole, though individually very burdensome to the payers as an increase of their taxation. It would practically be a new tax on resident landowners; absentees would not be touched.

14. The second ground of complaint, that the existing valuation, as a whole, is too high, rests principally on the fact that the rents of land in Ulster and in some other parts of Ireland have been reduced below that valuation.

* See C. 6742—1898.

ART. XI.

15. The complaint is not justified by any injury suffered in consequence by the ratepayers or the taxpayers. As shown above, it does not matter to the payer of local rates whether the valuation on which he is assessed is high or low as compared with other rating areas, provided the valuation is equally placed on the hereditaments within that area, while the payer of income tax of rented land is relieved from the effect of a high valuation under the arrangement by which he pays the tax on the rent received if lower than the valuation.

Griffith's Valuation. Inequality as between different classes of land. No revision necessary, as much tillage land has been converted to grass lands since 1862, and any alteration would have little effect in the case of mixed holdings.

16. The third ground of objection to Griffith's Valuation is that it is now unequal—(a) as between different classes of land, tillage land being valued too high in comparison with grass land.

17. It must be admitted that the product of the former has not increased in value since 1852 as much as the product of the latter, while the relative valuations have remained unaltered, and it is contended that the valuation of tillage land should be lowered, and that of grazing land increased. A very large area of what is grass land now was tillage land in 1852, and still bears the relatively higher valuation then put on it; the rents of these lighter descriptions of grass lands have generally been reduced by the Land Courts below the valuation, which could not, therefore, be increased equitably. It must also be remembered that the great majority of the holdings, excepting the very small ones, are now farmed on a system of mixed tillage and grazing, and a revision of the valuation assigning an altered relative value to grass and tillage lands would not be likely to involve an alteration of the valuation of their holdings.

Griffith's Valuation. Inequality as between different rating areas has no effect on the ratepayers, and as regards Income Tax, any revision would only affect the occupying owners.

18. And (b) as between rating areas in different parts of Ireland. Much weight is also attached to the inequality of the valuation as between different parts of Ireland, Sir R. Griffith having given his estimate of the additions required to bring the valuations in the different counties to one level, varying from 10 per cent. to 25 per cent.

19. This inequality does not occur in any one rating area, and, therefore, does not affect any ratepayer, nor the amount of rate to be levied therein. It can only affect the income tax payer. The tax-paying owner of rented lands in the higher value districts does escape a high levy by the arrangement for paying the tax on the rent received, which in these districts is below the valuation. If lower valued districts were valued up to the same level, the same result would follow. The few occupying owners are the only individuals who suffer from a high valuation in the districts where it exists, and who would suffer if the valuation was increased in the lower valued districts.

A new valuation of Ireland would be costly and unnecessary and undesirable.

20. The general conclusions to be drawn from the above considerations are:—

That a new general valuation of Ireland would be costly—the lowest estimate is 250,000*l.*, and it would probably exceed that sum; that it would occupy a long time; that powerful influences would be applied to make it unequal as a true measure of value.

That any inequalities in the existing system do not affect the ratepayers to any serious extent.

That the benefit to Imperial revenue would be trivial, but falling on a few individuals, viz., the resident landowners, would be very onerous to them, and would tend to diminish their numbers and increase the number of absentees.

Local Government (Ireland) Act. Change of incidence of rates. It is unjust that the landowner should bear any part of the burden of rates upon the portion of the hereditament which is the tenant's property.

21. Some anomalies in the application of the Local Government for Ireland Act to the adjustment of rent and rates:—

The valuation of a tenement is divided in the valuation lists into two parts, "land" and "buildings," and on this valuation the owner must, under the provisions of the Local Government Act, make allowance to his tenants. He must allow them in the payment of the rent half the rate of the standard year paid by them on the valuation of "buildings" on their holdings. This is done by an adjustment, in the form of a permanent reduction of their rents, to the extent of half the rate on the buildings.

If the tenant has been entitled to deduct from the rent half the county cess (as in the case of many holdings let after 1871), that deduction is still continued; the county cess was levied on the whole valuation of the tenements, land and buildings. The valuation includes all improvements, whether made by the landlord or the tenant, and the landlord therefore in these two cases is legally bound to pay half the

rate made on that part of the valuation which represents the improvements made by the tenants. But by the provisions of the Land Acts these improvements are the tenant's property; it is prohibited that rent should be charged on them, and in all judicial rents fixed by the Land Courts the value of the tenants' improvements is strictly excluded when the "fair rent" is fixed.

Although the expenditure by landlords on improvements on their tenants' land in Ireland, during the last 50 years, amounts to several millions of pounds sterling, yet the improvements claimed and allowed by the Land Courts to the tenants amount to a considerable sum, and the payment of the rates and income tax on the valuations of these improvements—at present a legal charge on the owner of the land—is an unjust impost, and is payable, as to income tax, in all cases when the valuation is equal to or lower than the rent, and as to local rates in all cases.

22. Some suggestions for the relief of local rates:—

- That the local rates should be relieved of the cost of all building, enlargement, repair, and equipment of Lunatic Asylums incurred after the standard year;
- Of all costs and expenses relating to the Administration of Justice, such as preparation of jurors' lists, conveyance of prisoners, expenses connected with law courts, coroners' and sub-sheriffs' salaries;
- Of all costs connected with Parliamentary elections and making out lists of electors.

Local rates—
Suggestions for
relief of

APPENDIX XII.

Memorandum prepared for the Commission by Mr. S. M. Hussey.

[See MINUTES OF EVIDENCE, QUESTIONS 25,358–25,522].

1. Witness is a magistrate in the counties of Cork, Kerry, and Limerick. Has been a land agent for about 50 years, and during that time was receiving the rents of about one-fourth of the entire county of Kerry. He is therefore thoroughly acquainted with the resources and taxation of the county.

Art. XII.

2. It will be seen by the return in "Thom's Almanack" that while the entire County Cess of Ireland averages 2s. 0½d., Kerry is 5s. And a glance at the Poor Rate statistics will show that the Poor Rate in Kerry is almost higher than in any part of Ireland.

Kerry. Burden of taxation is, exceptionally heavy, and especially is it so upon the farmers.

3. There is a barony in Kerry called Traghenaclumy. It comprises a third of the whole county. The County Cess in it for 1894 was 5s. 0½d. and the Poor Rate in the principal parish was 5s. 8d.

4. There is another large barony, Corkaguiney. In 1894 the County Cess was nearly 8s. in the £, and the Poor Rate in several of the electoral divisions was over 4s. in the £. This taxation was more than farmers were well able to bear, and caused a great amount of distress and led in some places to outrage. It certainly was hard that all the County Cess should have fallen on the farmers, especially as a large portion of it was made up of guarantees to railways and other public works which increased the taxation by about 1s. 6d. in the £. It was hard that the farmers should have to pay the entire of this, as the community at large got the benefit of these outlays. In one case, that of the Fenit Pier, the Government were charging 4 per cent. interest for money that they only paid 2½ per cent. interest themselves.

5. There are various ways whereby these moneys might be more equitably levied; for instance, persons keeping horses should be compelled to pay a portion of the cost of keeping up roads, rather than allow the entire cost to be thrown on the farmers, many of whom have not horses.

Persons keeping horses should pay part of road expenditure.

6. The Dingle Railway was constructed on plans prepared by a Government inspector, and when finished was sanctioned by another Government inspector, and opened in 1891; but (I think it was in 1894) in consequence of the defective state of the line, a serious accident occurred, which cost 6,452l.—out of which the Government paid 2,500l.—leaving a net loss to the ratepayers of 2,952l. and in the half-year ending

Dingle Railway.
Loss open.

APP. XIII.

May 1895, while the receipts were only 2,505*l.*, the working expenses were 5,714*l.* In the half-year ending November 1896, the receipts were 3,271*l.*, and the expenses 4,879*l.*

Reformatories,
asylums, &c.
Cost of not fairly
distributed

7. In the case of reformatories, lunatic asylums, and infirmaries, it is not fair that the expense of these institutions, in which the general public benefit, should be thrown exclusively on the farmers.

Railways: taxa-
tion of.

8. In England and Scotland the taxation on railways gives very substantial relief as compared with Ireland.

Tithe-rentcharge
in Ireland.
Method of calcu-
lation should be
altered

9. In Ireland tithe-rentcharge is not reducible according to the price of corn as it is in England. This should be altered, especially as the rents, on which it is chargeable, are so considerably reduced—in one estate from 600*l.* to 403*l.*—while tithe remained at 58*l.* 9*s.* 2*d.*

Griffith's valuation
is satisfactory.

10. Griffith's valuation was made in 1846, and is much more satisfactory than any new valuation is likely to be.

Disendowment of
Irish Church.
Application of
proceeds.

11. 94,000*l.* a year was saved by the Government through the disendowment of the Irish church; this should be applied in reduction of local taxation.

Table of Comparative Taxation.

Amount of Local Taxation in Eng- land, Scotland, and Ireland at various periods.	Local Taxation per head in Ireland in				s. d.	
	1826	-	-	-	2	6
	1851	-	-	-	7	1
	1895	-	-	-	16	9
						£
Local Taxation in Ireland in				1894	-	3,749,422
				1895	-	3,842,005
Taxation increased in Ireland at the rate of 50 per cent., while that of England increased at the rate of 18 per cent.						
						s. d.
Average County Cess in Kerry				-	-	3 9
Rates				-	-	2 3
County Cess in Trughenackmy in 1897				-	-	4 1
				1898	-	4 6
Poor Rate in Castle Island in 1897				-	-	3 10
				1898	-	2 9
						£ s. d.
Rent per acre in England				-	-	1 11 4
" " Ireland				-	-	0 10 3
" " Scotland				-	-	0 8 6

From Mulhall's Dictionary of Statistics.

				s. d.
Taxation per head in England				18 8
" " Scotland				24 4
" " Ireland				33 3

APPENDIX XIII.

Memorandum prepared for the Commission by Mr. Richard Bagwell. [See MINUTES OF EVIDENCE, QUESTIONS 25,523-25,537.]

APP. XIII.

Valuation in
Ireland. The
work should not
be transferred to
local bodies.

1. Among the Recommendations contained in the First Report* of the Royal Commissioners are the following:—

(1.) That there should be only one Valuation Authority in each County to fix the basis for all rates and taxes.

* C.—6141, 1890.

- (2.) That in each district (such as a Union or Rural Sanitary District) "a Committee " should be constituted composed of members of the Valuation Authority " and of representatives of Boards of Guardians, Borough Councils, and " Urban District Councils within the district."

Art. XIII.

In Ireland no arrangement could give satisfaction or command confidence, which made the incidence of taxation depend on Local Bodies. It would be a retrograde measure. A valuation for all purposes of rating and taxation already exists. People are used to this system, and the suggestions of reformers should be limited to improving it without altering its essential character.

2. The Tenement valuation, universally known by the name of its author, Sir Richard Griffith, was completed in 1855, and is practically a fixed one for land. The total valuation of land, as such, cannot be altered, and adjustments are confined to cases where boundaries have been changed.

Griffith's valuation. The valuation of agricultural land is a fixed one, but that of other hereditaments is liable to annual revision. The valuation was satisfactory, but there are inequalities in the case of agricultural land.

3. The valuation of hereditaments other than land, founded on the estimated net rental, is liable to annual revision. My experience of town property leads me to believe that the existing system of revision works smoothly.

4. Griffith's valuation of land, arrived at by an inquiry into its intrinsic capabilities, was a remarkably good piece of work, and has stood the test of time very fairly, but it was probably never quite equal everywhere, and fresh inequalities have been caused by the changed conditions of agriculture. The better class of grazing lands are generally believed to have been valued low as compared with arable, but land in general has depreciated.

5. Should a general revision be undertaken I do not see how rents judiciously fixed under the Land Acts can be left out of consideration.

Agricultural Land, Re-valuation of. The consideration of judicial rents and tenant right.

6. It may be proposed to consider the tenant-right also, but the difficulties seem to me insuperable. The prices paid for occupation interest have very little relation to "true value," and this is acknowledged by the Courts.

Reclaimed Land, Valuation of.

7. Where land has been improved, or almost created, by reclamation or drainage, the valuation will doubtless have to be increased, but not to the full extent until the owner has had some years enjoyment. The tendency of reclaimed land to revert to a wild state should also be considered.

8. Income tax (Schedule A.) is paid on the valuation or rent, whichever is least, and this principle must be maintained. Income tax would, therefore, only be increased where the valuation is at present less than the rent.

Income tax, how levied and effect of a re-valuation.

9. Shooting rights are not at present rateable. There can be no objection in principle to including them, but they would bring in very little, the net letting value being almost nil, except in the case of a few grouse mountains.

Shooting-rights Not at present rateable.

10. The question has often been raised whether banks, breweries, and other firms, who are rated for buildings only, should pay a greater share of local taxation. I am not prepared to say that they should. The process would be inquisitorial, and would operate in restraint of trade.

Banks, breweries, &c., should not be more highly rated.

APPENDIX XIV.

Memorandum prepared for the Commission by Mr. R. Coll, Member of the Limerick County Council. [See MINUTES OF EVIDENCE, QUESTIONS 25,699-25,966.]

A n. XIV.

1. Revision of all rateable property; valuation of land to be fair rent; other property according to profits.

Re-valuation of Ireland. Suggestions.

2. A revision of valuations every ten years; lists for land to be prepared from information to be had from Land Commission, for personal property by Commissioner of Valuation with local information.

3. Town property is not rated equitably, business houses in towns, paying local rates on valuations varying from 10*l.* to 60*l.*, derive profits from 100*l.* to 500*l.* per year.

APP. XIV.

Poor Rate. Collection of.

4. The Poor Rate is estimated by the clerk of the Union for each Electoral Division, then approved of by the Guardians. A warrant is then handed to the poor rate collector, and he collects from the occupier, except on valuations of 4*l.* and under, when he collects from the landlord.*

Local Taxation. Inequalities of.

5. Creameries, hanks, and factories are altogether under-valued for rating purposes, they should pay according to their profits.

6. Professional men and others having large salaries pay no rates on those salaries.

Union rating is unfair to the farmer.

7. Electoral division rating is the present system. Under Local Government Act, Union rating will be in force. This will be very unfair to the farmer, as he will have to bear an equal burden with the already under-valued townsmen, and will have to pay sanitary and other town rating, from which he will derive no benefit.

Agricultural Grant is inadequate.

8. Under the Local Government Act, the landlord is exempted from payment of all local rates, but the executive do not take his place by continuing to pay half the Poor Rate, it only pays half the Standard Rate after deducting excluded charges, and power has been given for increasing that rate which was not before possessed by Local Authorities; as a consequence, the benefits derived from the Agricultural Grant will disappear before many years.

Landlords should pay all rates.

9. Landlord should pay all local rates, as he draws, without earning it, the largest profits from the land, he never spends one shilling in buildings, drainage, or fencing, but leaves the tenant to do all necessary improvements; hence the dilapidated appearance of most of the farms in the country.

Certain expenditure should be borne by State.

10. The expenses in connexion with lunatic asylums, main roads, maintenance of indoor and outdoor paupers over 60 years, and existing labourers' cottages, should be borne by the State.

APPENDIX XV.

Memorandum prepared for the Commission by Mr. James E. O'Doherty, Solicitor, Londonderry. [*See MINUTES OF EVIDENCE, QUESTIONS 26,069-26,246.*]

APP. XV.

Valuation. Inequalities in.

1. I have been for many years a member of the Rural Sanitary Authority of Londonderry, and a Poor Law Guardian. I am an Alderman of the city. For five years I represented in Parliament one of the divisions of Donegal; and am Coroner of the same division.

2. The valuation of land for rating purposes is, in these parts of Ulster, excessive.

3. I disagree with Mr. Barton's ideas about adding, at any revaluation, for tenant right. Other profits of land are not valued or taxed, such as turbary, bog ore, brack clay, game rents, &c.

4. Railways are grossly undervalued, and the distribution of valuation is inequitable.

5. Valuation of houses according to measurement is inequitable, as evidenced by the ground rent in various localities; modern houses highly valued, old houses and houses in business localities altogether undervalued.

Agricultural Grant. No distinction should be made between land and houses.

6. The distinction between land and houses for the purposes of the Agricultural Grant in Ireland is, in practice, most expensive to carry out, and, in principle, is not defensible. Practically the Agricultural Grant will be eaten up by the increase of staff making up rate books and copies for collectors, the items being so small and so numerous.

Unoccupied property. Rating areas.

7. Laxity as to allowances for houses and lands not occupied.

8. District rating—effect on sanitary improvement of towns and villages in district. Preponderance of rural interest. Village councils and special areas for sanitary expenses required.

* Altered by the Local Government (Ireland) Act, 1896.

APPENDIX XVI.

Memorandum prepared for the Commission by Mr. Jeremiah J. Howard, Chairman of the Cork County Council. [See *Minutes of Evidence, Questions 26,247-86,879.*]

ART. XVI.

1. The cost of building bridges and making new roads, as well as maintaining them, was exclusively borne by the occupiers of land until the year 1854, when for the first time buildings and other property were made liable.

2. Not only had the "occupiers" of land to pay the whole cost of building bridges and making new roads, but they had also to pay the entire cost of erecting courthouses, gaols, bridewells, and lunatic asylums, as well as the total expense of the general valuation, all the foregoing being levied as County Cess.

3. When the valuation was completed it was made the basis for levying Poor Rate, which rate was borne between landlord and occupier according to valuation and rent, while the landlord did not contribute to the cost of the valuation. Moreover the income tax is levied on this valuation, towards the cost of which the Government did not contribute, while they recognise their liability to contribute one moiety of the expense of the "Annual Revision" under the Act.

4. Where the "Courts" are exclusively used for the administration of justice, whether for assizes, quarter sessions, or petty sessions, the Government ought to defray the rates of the latter premises, and to pay rates on the quarter sessions courts, and on the value of such portions of assize court houses as are used by the judges, recorder, or registrar of bankruptcy, as well as the offices of the sheriff, clerks of the Crown and Peace, besides paying the salaries of the sheriff, clerks, and interpreters.

5. Where land is let on lease for building, and whereby the rent thereof is secured by the tenants' outlay, and where the landlords would realise an increased sum if the lots were subsequently sold, they ought to contribute something beyond allowing rates on the rents paid. In any case, landlords ought to be assessed on the rent paid by the tenants where the premises are vacant and in consequence there is no assessment. In such cases, while premises are vacant, the tenant has to pay the ground rent to the landlord, while the landlord goes free, there being no assessment on vacant premises.

6. The Government now defray all the expenses of conveying prisoners after committal. In my opinion they ought to pay all expenses incurred before committal as well.

7. The Cork District Lunatic Asylum is a joint asylum for the County and City, and during the past 12 years the very large amount of 70,000*l.* has been expended there in the enlargement and improvement of the institution. Of this sum the County is charged with repayment of about 58,000*l.*, and the City of Cork only 12,000*l.* This proportion of the instalments for repayment of loans seems to be on a basis of $\frac{1}{3}$ th to $\frac{2}{3}$ th, and is manifestly unjust to the County ratepayers, as it should be borne between the County and City according to the respective number of patients from each.

8. The ratepayers of the 27 rural divisions of the Cork Union are most injuriously affected by the enforced adoption of Union rating, and many of these will be placed financially in a worse position than they occupied before the passing of the Local Government Act. The sum transferred this year by reason of general Union rating from the City of Cork to the Rural divisions amounts to 5,700*l.*, or half the whole amount of the Agricultural Grant to be paid to this Union, viz., 11,559*l.* As Cork Union comprised two counties, i.e., county of City, and County, the assessment for rates should have been borne between them in proportion to the number of paupers as hitherto chargeable to each County, as in the case of lunatic asylums.

9. As at present arranged, the Rural divisions are most unfairly overtaxed, because it is very wrong to assume that out-of-the-way county districts ought to pay rates in the same proportion as valuable city property could do. For example, a house valued at 40*l.* per annum in the City of Cork, and a farm valued at 40*l.*, 15 miles distant from Cork, are now made equal as factors for taxation, i.e., house property in the principal

Valuation, cost of. Until 1854 many local charges, including the cost of the existing valuations, were borne exclusively by the occupiers of land, although the valuation included buildings and other property and was utilized for the Poor Rate (to which landlords contributed) and Income Tax.

Courts of justice. Government should pay rates on certain portions.

Household property. Landlords, share of rates should be increased.

Unoccupied property. The ground landlord should pay rates on the ground rent. Conveyance of prisoners. Government should pay all expenses.

Cork District Lunatic Asylum. Basis of apportionment of cost of improvement and enlargement between the City and County of Cork inequitable.

Local Government (Ireland) Act, 1898. Establishment of Union Rating will transfer a burden of 5,700*l.* to the rural ratepayers of Cork Union. This sum should be made good by the Government. In equalities in valuation in Urban and Rural districts.

APP. XVI.

streets of Cork, bringing in many instances rents two or three times the valuation, is only asked to contribute on the valuation in the same way as land, now admittedly depreciated in value, in some instances fully 50 per cent. since the year 1854, when the valuation of the County of Cork was completed.

10. I hold that the Rural ratepayers of Cork Union are justly entitled to a contribution in lieu of rates from the Government of 5,700*l.*, as otherwise the Local Government Act will be a nullity for them.

APPENDIX XVII.

Memorandum prepared for the Commission by Mr. R. Finlay Heron, M.A., Secretary to the Blackrock Urban District Council, Co. Dublin. [*See MINUTES OF EVIDENCE, QUESTIONS 26,280-26,325.*]

APP. XVII.

1. I am clerk to the Urban District of Blackrock, county Dublin, secretary to the committees, registrar of stock, and executive sanitary officer. Up to the 1st April 1899 the designation of this district was the "Blackrock Township," but under the Local Government (Ireland) Act, 1898, it became "the Urban District of Blackrock." I have held my present position for the last 12 years. I desire to confine my evidence as much as possible to the rating question as it relates to this district, the conditions of which I am well acquainted with. I do not propose to deal with the question of the taxation of personal property.

2. Blackrock was formed into a township by a special Act, the Blackrock Township Act, in 1863 (26 & 27 Vict. c. 21.), and embraces Blackrock, Booterstown, Williamstown, Monkstown, &c., formerly the district of a more limited area, was governed by Commissioners elected under the Towns Improvement (Ireland) Act, 1854. The district has a population of 8,380 according to the last Census in 1891, and had at the last revision in 1898 1,550 local government electors. Its present gross valuation is about 50,000*l.*, and its total indebtedness in respect of loans 24,344*l.*

3. It is a residential suburb on the coast about four miles from Dublin, its area is 1,076 statute acres, it is thinly populated, its population being equivalent to 7-81 persons to the acre. It has a public park 14 acres in extent, and there are about 24 miles of roads to be kept up. The following Table shows that as regards building and population it has been practically at a standstill for the last 17 years. With the exception of Blackrock and Williamstown the population is well to do, but in Blackrock and Williamstown there is a considerable population of very poor people. The district has no trade or manufactories, and, though on the sea coast, has no fishing industry.

URBAN DISTRICT OF BLACKROCK, COUNTY DUBLIN.

TABLE showing POPULATION, VALUATION, and TOWNSHIP RATES struck, from 1872 to 30th September 1899.

Year.	Population.	Valuation.	Rates in <i>£</i> .
		<i>£</i> s. d.	s. d.
1872-73	8,089	44,548 10 0	3 0
1873-74	—	44,577 5 0	3 0
1874-75	—	44,892 5 0	3 0
1875-76	—	45,175 15 0	3 0
1876-77	—	45,714 0 0	3 0
1877-78	—	45,571 18 0	3 6
1878-79	—	46,203 10 0	3 3
1879-80	—	46,437 5 0	3 1
1880-81	—	46,767 15 0	} 4 0
1881	—	46,681 5 0	
1882	—	46,681 5 0	
1883	—	46,585 5 0	
1884	—	46,979 15 0	3 0
1885	—	47,148 0 0	2 10

URBAN DISTRICT OF BLACKROCK, COUNTY DUBLIN—continued.

Ann. XVII.

Year.	Population.	Valuation.	Rate in £.
		£ s. d.	
1886	—	47,102 0 0	2 10
1887	—	47,103 11 0	3 1
1888	—	47,450 5 0	3 6
1889	—	47,468 0 0	3 0
1890	—	47,460 5 0	3 0
1891	8,380	47,349 10 0	3 6
1892	—	47,561 15 0	3 4
1893	—	47,333 5 0	4 0
1894	—	47,390 15 0	3 6
1895	—	47,294 0 0	3 6
1896	—	47,353 5 0	3 10
1897	—	47,229 5 0	4 10
1898	—	48,280 0 0	4 7
1899	—	48,470 0 0	5 0
			For nine months ending 30th September

4. Rates in the district in 1898:—

	s.	d.	
Township rates	4	7	Imposed by the Blackrock Township Commissioners.
Poor Rate	0	8	Imposed by the Guardians of the Rathdown Union.
Police and Bridge Rate	0	9	Imposed by the Collector-General of Dublin.
Income Tax	0	8	Imposed by Income Tax Authorities.
Total Rates	6	8	

5. The rates in this district, for the half-year ended 31st March 1900, will be as follows:—

	s.	d.	
Township rates	2	8	in the £
Poor rate for the year ended 31st March 1900,			
2s. 5d., for half-year, say	1	2½	"
Police and bridge rate for half-year	0	5	"
Income tax for year, 8d., for half-year, say	0	4	"
Total for half-year	4	7½	
equivalent to a rate of 9s. 3d. per year.			

The circumstances in regard to this year are probably exceptional.

6. From this Table it will be seen that while the valuation and population are practically at a standstill, the local rates have seriously increased. This is due to a great extent to the fact that the legislature is constantly putting additional burdens on the Local Authorities. Local Authorities are now expected to carry out compulsory education under the Irish Education Act, 1892, provide houses for the working classes, administer the Weights and Measures Act (the duties of which were formerly discharged by the police), to provide public parks, and to undertake the inspection of workshops. They are expected to provide a system of main drainage and better sanitation generally (under the Public Health Acts), better lighting, and a better condition of roadways; to establish public libraries and recreation rooms, &c. In the case of Blackrock there is no relief obtained from the benefits of municipal undertakings, such as gas or waterworks.

Increases in local rates. Additional burdens have been imposed on Local Authorities by the Legislature.

7. We require increased Government grants. All the contributions we received in Blackrock during the year 1898 are as follows, viz.:—

	£	s.	d.
In respect of Estate Duty grants	234	10	4
Contributions to sanitary officers—salaries	64	0	0
Treasury contribution in lieu of rates	2	8	2

Imperial contributions in aid of Local Taxation should be increased.

Under the Local Government (Ireland) Act, 1898, we receive the pawn-brokers' licenses—about 100l.

I think the State should pay the whole of the cost of keeping up the police, and also the cost of compulsory education and technical instruction and public libraries.

ART. XVII.

Levying and collection of rates. Necessity for uniformity in the incidence of all rates. There should be one consolidated rate. Differences in the incidence of rates in Blackrock and the adjoining districts.

8. The Local Government (Ireland) Act of 1898 enables the Poor rate and the Police and Bridge rates to be collected together, and contemplated also the collection of the Municipal rates with them, in one consolidated rate. (See Local Government (Ireland) Act, 1898, sections 51, 53, 57, 66.) It is to be regretted that the legislature did not render this more practicable by making the incidence of the municipal rates uniform with the other rates. The existing incidence of rates in this district varies considerably. The Blackrock Township rate, water rate, public park rate, sinking fund rate, are imposed on all persons in occupation of lands, houses, or hereditaments on the day on which the assessment of the rate is made. The persons coming into occupation of premises vacant on the day of assessment are only liable from the date on which they commence to occupy them.

Owners of vacant premises are liable for the drainage rate.

Poor rate, police and bridge rate, and income tax are only recoverable during the actual periods the premises are occupied.

Poor rate, police and bridge rate, and income tax are assessed on the full value of land, railways, &c.

Township rates on only five-sixths of their valuation.

9. In Blackrock, railway property is exempt from Drainage rate (under the Blackrock and Kingstown Drainage Act, 1893).

In Pembroke, railway property is liable to one-fourth of the Drainage rate (under the Rathmines and Pembroke Drainage Act, 1878).

In Kingstown, railway property is liable for full Drainage rate.

In Pembroke the owners of unoccupied houses are liable for the Township rates. In Blackrock, not liable unless occupied on the day on which the assessment is made. In both Townships poor rate and police and bridge rate are only assessed during the period in which the premises are occupied, and the owner of land is liable, whether the land is occupied or not.

In Blackrock and Pembroke, railway property and land is assessed on five-sixths of its value, whereas in the adjoining district of Kingstown and other neighbouring districts at only one fourth.

To some extent this mischief is caused by the legislature allowing the general principles of the incidence of taxation to be interfered with in private or local Acts. If concessions are to be made, they should be made by grants of money, &c.

Poor rate should be struck yearly and not half yearly.

10. I would also suggest that the Poor Rate should be struck yearly and not half yearly, as provided by the Local Government (Ireland) Act, 1898, section 51 sub-section 6, the striking of it half yearly I consider wholly unnecessary, very inconvenient, and enormously costly (costing the country some thousands a year), as it involves duplicating all the work in connexion with rate books, &c. Striking a Poor Rate once a year and collecting it in yearly instalments, would be more convenient and satisfactory from every point of view.

Income tax on property should be collected by the Local Authorities.

11. I would suggest the income tax Authorities could have the income tax on property collected in the same way, so as to have only one rate for all purposes; they could issue a precept to each Local Authority for the amount they require. The advantage of having all the rates collected in one consolidated rate is obvious in point of economy, and gives less trouble to the ratepayers.

Valuation system in Ireland is satisfactory except as regards railways. There should be a periodical revision which should be made by local persons with an appeal to the Commissioner of Valuation.

12. The system of valuation in this country is far in advance of that in operation in England, because it is carried out on a uniform basis, there being only one Valuation Authority for the whole of Ireland, viz., the Commissioner of Valuation.

The Valuation (Ireland) Act, 1852 (15 & 16 Vict. c. 63), sections 6 to 9, provides that the Commissioner of Valuation shall cause to be made a valuation of tenements and hereditaments in each barony, parish, or division in any county as directed, and by section 11 tenements are to be separately valued land upon net annual value with reference to the average prices of agricultural produce, local circumstances considered, and all rates, taxes, and public charges (save tithe-rentcharges) being paid by the tenant. As regards houses and buildings, the valuation is to be an estimate of the net annual value, that is the average reasonable letting value; the probable annual cost of repairs, insurance, and expenses necessary for maintenance and rates, taxes, and public charges (save tithe-rentcharge) being paid by the tenant.

13. Speaking generally, I have no fault to find with the basis on which the valuation is arrived at (except the principle on which railways are valued), but some reform is necessary in regard to having the valuations or re-valuations made more frequently and more expeditiously carried out. I think the local surveyors who have special

knowledge of the localities should make the valuations or re-valuations subject to an appeal to the Commissioner of Valuation.

14. In all cases of exemption, where a rent is derived out of a property, half such rent is liable for taxation, and where ascertained is entered in the valuation lists among the rateable hereditaments, the Treasury contribution in lieu of rates being made after the deduction on the half rents is paid. Churches, chapels, or buildings used for religious worship or education of the poor, burial grounds, cemeteries, infirmaries, hospitals, charity schools, or buildings used exclusively for a charitable purpose, except where private use or profit is derived therefrom, are liable to rates on the half rents.

15. The Township rates assessed on these half rents cannot be recovered in the present state of the law. In this Township the half rents only amount to 109l. 10s., of which 39l. 10s. is Government property.

16. I am in favour of abolishing all exemptions and deductions, and making the incidence of rating for all rates perfectly uniform on all classes of property throughout the country. It would simplify the collection and keeping of the accounts. I see no reason why Government railway or tramway property should not be assessed on their full valuation for all rates, nor why any deduction should be made off the valuation of the land in assessing Township rates in Urban Districts. In Rural Districts the County Rate is imposed on the full valuation of the land, in this case the land is for productive purposes, whereas in the Urban District the land is generally used for ornamental purposes or for the purposes of enjoyment, and is held by a class of persons who can well afford to pay for the luxury. No injustice would be done if all charitable and religious institutions of all denominations (except churches, chapels, and buildings used for religious worship) were liable to be rated; as the law at present stands the district might become heavily handicapped by its becoming literally honeycombed by such institutions.

17. One of the greatest blots in the existing system of local taxation is that the ground landlords in Urban Districts escape almost completely from the burden of Municipal taxation, although they derive substantial benefit from the expenditure of rates contributed by the leaseholders or occupiers. In this district the landlords will only grant leases for about 90 or 150 years. At the expiration of these leases they refuse to renew them unless on the most exorbitant terms, in some cases requiring nearly three times the original rent and on the conditions that a large expenditure is made by the lessor on the property and that they be exempt from any contribution towards local taxation. Their demands must be considered most unfair when it is remembered that the ground landlords have contributed hardly anything towards the improvement of the locality, or the enhanced value of the land. They should be made liable for a substantial portion of the rates of the locality. A desirable step in this direction would be to give the occupier the right to deduct the full amount of all rates on the amount of ground rent which he pays.

18. The result of the action of the ground landlords in requiring such harsh and unreasonable terms for the renewal of leases has the effect in this district of practically preventing all building operations, and the result is that all progress in this direction in the locality is paralysed, and there is no increased amount of valuation to lighten the increased taxation which the municipality are obliged to impose in consequence of the increased burdens I have referred to. The result is most serious and, I may say, disastrous.

19. I may add that the late Board, Blackrock Township Commissioners, considered one of the most conservative bodies in Ireland, unanimously adopted the following petition on 21st September 1892:—

IMPERIAL PARLIAMENT—SESSION 1893.

PETITION TO THE HONORABLE THE COMMONS OF THE UNITED KINGDOM OF GREAT BRITAIN AND IRELAND, IN PARLIAMENT ASSEMBLED.

The humble petition of The BLACKROCK TOWNSHIP COMMISSIONERS under their COMMON SEAL

SHeweth:—

That the injury arising from the system of determinable lettings in towns is forcibly illustrated in almost every city, town, or village in Ireland. It is caused by the

Exemptions.
Half the rent derived out of an exempted property is liable to taxation but is exempt from the Township rates. All exemptions should be abolished (except churches, chapels, and buildings used for religious worship) and there should be no differential rating.

Ground rents in urban districts should be rated. The occupier should be allowed to deduct the full amount of the rates on the amount of ground rent that he pays.

Terminable leases. Ground landlords refuse to renew leases except on exorbitant terms. This has had an injurious effect on building operations in Blackrock. Petition to Parliament.

ART. XVII.

unwillingness of lessees or their representatives to expend any money on premises so let during the last ten years of the tenure.

The result of this state of things is a complete stagnation of improvements, and even repairs.

Premises let during the period referred to are gradually falling into ruin and, consequently, all benefit derivable therefrom is lost to the State, the municipality, and the lessee.

Your petitioners therefore humbly pray that your honourable House may make such legislative provision as will enable tenants in town holdings under terminable leases to claim compensation for all permanent improvements within the meaning of the seventieth section of the Land Act, 1870, or provide indefeasible title similar to that afforded by the Landed Estates Court.

JOHN B. WIGHAM, Chairman.
R. FINLAY HEROS, Secretary.

(Seal of Blackrock Township
Commissioners.)

Compounding.
Owners should be
made liable for all
rates on properties
valued at 10*l.* and
under, but no
discount off the
amount of rates
due should be
allowed.

20. I would be in favour of making the landlord or immediate lessor or person receiving or collecting the rents (whether on his own account or as agent or trustee for any other person) liable for the rates on property valued at 10*l.* or under. Under the 52nd and 55th sections of the Local Government (Ireland) Act, 1898, the power to make owners or immediate lessors liable for Poor and Township rates on property valued under 4*l.* is (unless in certain specified cases) removed. Now take the case of premises valued at under 4*l.*; it is in many instances impossible to recover the rates, inasmuch as the person in occupation is extremely poor, and in the event of obtaining a decree against that person for the rates due, there is no means of realising it, as there must be at least property to the value of 5*l.* left in the house after an execution for the recovery of rates.

21. Some Corporations in Ireland, such as Dublin, have the power of compounding with the owners of small property similar to the same power which English authorities have. I am not in favour of compounding, as I think that it makes the accounts more complicated and difficult to check.

Unoccupied
property should
be rated.

22. I would be in favour of imposing full rates on unoccupied premises; it has a wholesome effect in preventing landlords from holding out for too high rents, and I do not think any injustice would be caused by doing so.

Occupiers not to
contract out of
their liability to
pay rates.

23. It is desirable that the occupier of premises, who is legally liable for the rates (unless in the case I have mentioned of premises valued at 10*l.* and under) should not be allowed to contract with his landlord out of his liability to pay the same, the electors being materially interested in the expenditure of the rates has always a wholesome effect on Spending Authorities.

Collection of rates.
Method of paying
collectors.

24. The collectors are usually paid by a poundage rate, which is generally 2½ per cent., that is 6*d.* in the £ on the rates collected, this percentage is not quite an equitable mode of payment, because in some districts it is too small, in others much too large. I would prefer to pay the collectors a yearly salary in proportion to the amount of work they had to do, and give them bonuses or extra payments in the event of their collection being well carried out. The orders made by the Local Government Board for Ireland in regard to the collection of Poor Rate I regard as admirable. Amongst others—General Order, 3rd July 1899, provides:—

Article 12.—"Every collector of the poor rate shall be remunerated for his service according to such scale as may from time to time be appointed by the Council with the approval of the Local Government Board."
"Provided, that no sums by way of remuneration shall, under any circumstances, be payable in respect of rates not collected and lodged within the financial half year for the service of which the same was levied."

Collection of rates.
Local Authorities
should have power
to allow discount
for prompt pay-
ment.

25. I would also be in favour of giving the Council power (which might be usefully employed in some instances) to allow a discount for prompt payment of rates which power is enjoyed, I believe, by Local Authorities in England, say, a deduction of 5 per cent., if paid within two months after the date on which the rate is struck.

Collection of rates
in Blackrock.
Check asked to
prevent
embezzlement.

26. In Blackrock we have a very elaborate and satisfactory system of accounts in connexion with the collection of rates, but no system of book-keeping checks are effective in preventing a dishonest collector from embezzling the rates. The check

we adopt is to issue a circular, when thought necessary, to those ratepayers whose rates appear from the collector's return as unpaid, calling on them to pay the outstanding rates at once, if any ratepayer has paid his rates, and is returned by the collector as in arrear, he will by this means be made aware of the fact, and the irregularity or embezzlement of the collector be discovered. If this plan of check is adopted it will be practically impossible for the most clever and unscrupulous collector to embezzle the rates for any length of time without being discovered.

APP. XVII.

27. The whole of the existing Acts of Parliament in regard to rating should be repealed and codified. A very important reform of a similar character has been secured by the passing of the Local Government (Ireland) Act in regard to municipal elections. Before it came into operation there were nearly 50 Acts of Parliament dealing with municipal elections in Ireland.

Rating. Repeal and codification of existing Statutes desirable.

It can be readily understood that this bewildering array of legislature enactments and the judicial decisions (many of a conflicting character) made the matter one of extreme difficulty.

A similar reform is necessary in regard to rating, so as to have only one law in force throughout the whole country.

28. Below is a statement of rates levied by the Blackrock Township Commissioners for year ending 31st December 1898.

Rates levied by the Blackrock Township Commissioners for year ending 31st December 1898.

Rate	As in the £.	Warrant.	Collected.
	s. d.	£ s. d.	£ s. d.
Blackrock Township Rate	2 2	5,231 8 4	5,103 3 10½
Water Rate	0 5	1,006 0 10	981 6 7
Sinking Fund	0 8	1,609 13 4	1,509 18 6
People's Park Rate	0 2	402 8 4	393 9 3½
Main Drainage Rate	1 2	2,352 18 11½	2,314 9 2½
		£10,602 9 9½	£10,380 7 8
			£218 2 8½*
		£10,602 9 9½	£10,602 9 9½

* Written off as uncollectable rates owing to houses being unoccupied and inactivity of owners.

APPENDIX XVIII.

Memorandum prepared for the Commission by Mr. E. P. O'Kelly, Chairman of Wicklow County Council and of the Board of Guardians of the Baltinglass Union. [See MINUTES OF EVIDENCE, Questions 25,529-26,638.]

APP. XVIII.

1. Our Local Rates were in "the standard year," which may be taken as an average one—

County cess, 1s. 8½d. in the £.

Poor rate, 1s. 6d. in the £. Total 3s. 2½d.

2. Our present rate for the half year is—

On land, 1s. 5d. in the £, or 2s. 10d. for the whole year.

On houses, 2s. 3d. in the £, or 4s. 6d. for the whole year.

3. The difference between the 3s. 2½d. and 2s. 10d., or 4½d. in the £, represents the reduction due to the Agricultural Grant. This is plainly insufficient, and not up to the promise that a half of the County Cess would be defrayed for the tenant and the moiety of Poor Rate that was borne by the landlord.

Baltinglass Union. Rates in "standard year" and at present time.

Agricultural Grant is insufficient owing to increases of expenses since the Act was passed and to increased cost of making the rate.

Art. XVIII.

4. The insufficiency of the Grant and the extra expenses charged on the rates under the operation of the Act are pertinent subjects for inquiry.

5. Since the Act was passed the following increases of expense have taken place:—

- (a.) Payment of medical officers' substitutes for four weeks' holidays amounts, in this union, to 50*l.* annually.
- (b.) Increased salaries of trained nurses and wardmaids.
- (c.) Cost of modern appliances.
- (d.) Cost of improved distary.

6. The increased cost of making the rate is enormous. In our county the secretary was engaged with this work from the month of April to October, having at one period as many as 20 additional clerks therefor. There were two small items of separate expense, 1*l.* 6*s.* in the £ for sanitary charge and 1*l.* 4*s.* for malicious injury charge, and I venture to say the rate struck will hardly cover the cost.

7. A large number of quite unnecessary books and forms are prescribed. In one instance I had an unnecessary rate ledger dispensed with, thus saving 180*l.* a year on this one item. The simplification of books and forms is desirable with a view to economy.

Labourers' Acts.
Expenses under
are unduly heavy.

8. The costs of acquiring plots and the preliminary expenses under the Labourers' Acts are unduly heavy, and it would be well that some cheap means of working same and of getting a parliamentary title without searches could be devised. It would also be expedient to exempt labourers' cottages erected by the Sanitary Authority from taxation.

Special tax upon
certain arable
lands kept in
permanent pasture
suggested.

9. On the question of taxation of property, I believe that certain arable lands kept in permanent pasture for a term of 10 years should have a separate tax imposed on them, subject to certain conditions. If a reasonable portion of the holding were tilled this requirement not to be enforced. I would consider 10 per cent. a reasonable proportion. Exemptions should be claimed in open court at the time of the revision of valuation; for the purpose of the execution of this duty, I would recommend the appointment of competent local valuers.

APPENDIX XIX.

Memorandum prepared for the Commission by Mr. Nicholas J. Synnott, Barrister-at-Law, of Furness, Naas, Co. Kildare.
[See MINUTES OF EVIDENCE, QUESTIONS 26,659-26,622.]

Art. XIX.

1. Witness is Chairman of the Board of Guardians of the Naas Union, in the county of Kildare, and is a director of the Waterford, Limerick, and Western Railway Company.

2. I have read and considered the evidence already given and published on this inquiry, especially that relating to Ireland. The points on which I have principally directed my attention are (1) the policy of having a general valuation of buildings and lands, at the present time, and in the present circumstances of Ireland; (2) the method of valuing railways, and the incidence of local taxation on railways in Ireland; (3) the desirability of retaining the present Central Valuing Authority.

I.—VALUATION.

3. As to (1) assuming (according to the evidence given before this Commission and before the recent Financial Relations Commission), that Griffith's valuation is out of date, unequal as between various provinces, counties, and even districts, and generally is considerably under the real value both in respect of land and buildings, it is very doubtful whether it is advisable, or possible, to have a general valuation of land in Ireland under present circumstances.

* Financial Relations Commission. Evidence, Vol. I. Q. 5630-5903. Minutes of Evidence, Vol. I, Q. 3376, 3420-3519, 3622 [c. 8763-1898]. See also "Government Valuation of Ireland," by W. F. Bailey, and Appendix. Journal of Statistical Society of Ireland 1893, p. 629.

Agricultural land.
Re-valuation of
undiscoverable.

4. Agricultural land may roughly be divided into three main classes, (1) holdings on which fair rents have been fixed, or are in process of being fixed; (2) those on which the rent is still a matter of private bargain; (3) and holdings where the tenants have become purchasers under the Land Purchase Acts. Under the last class may be included demesne lands and home farms in the occupation of land owners, and all other cases where ownership and occupation co-exist.

5. Different principles of valuation would have to be applied to these three classes of land, unless valuation be based on a schedule of prices, as in theory Griffith's valuation was effected, though not apparently in practice. The objections to a valuation based on a schedule of prices seem unanswerable, one element only being considered out of many.*

6. No principle of valuation has yet been suggested which would apply to all these cases of land tenure.

7. It is now impossible to apply directly in Ireland the principle of hypothetical tenant, and competitive value, though, theoretically, such a system be the best.

8. There is no competition, except in the case of sale of tenancies, there is no free market for rent; and the only possible tenant is the existing one, or a purchaser from him. The only possible purchaser in sales under the Land Purchase Acts is the tenant in possession.

9. The difficulty as to making fair rents the basis of valuation is, (1) that they are for ever being revised, (2) they are not based on any declared, uniform principle, which could be generally applied, (3) and tenants' improvements would escape valuation. As to (3) it is clear that the whole existing interest of the occupier should be valued; "fair rent" would include only the value to the landlord, not the whole value to the occupier, and rating is now put upon the occupier only.

10. On the other hand, if fair rents, judicially fixed, were not in some measure considered in the valuation, I see the grave objection, alluded to by Mr. Barton, in having Government valuers and Land Commissioners, arriving at different results. But here, again, we are met with the difficulty that "fair rent" is not defined in the Land Acts, or in the instructions to Commissioners, and no definite principles have been laid down by the Land Courts which would secure that a valuation, based on fair rents, would have the necessary quality of uniformity,† and be capable of effectual supervision by a Central Authority. Mr. Barton proposes that to ascertain full rateable value, interest should be added on average market price of tenants' interests in the neighbourhood. As to this, in many districts, there have not been a sufficient number of sales to apply the principle of averages; there is the most unaccountable variation in the prices fetched, even in the same district, and any valuation based on such competitive prices would tend to make the resultant value a competitive value.

11. Parliament has taken the view that competitive values may be unfair in Ireland, (see as to recording tenant's improvements in fixing fair rents, section 133 Land Commission Rules and Form 39); and it is, therefore, questionable whether competitive prices paid for tenant-right should without great qualification be made the basis of valuation of tenants' interests.‡ Tenants' improvements should be taxed in so far as they add to the value, but not, it would seem, that excess of tenant-right, or goodwill, that is due to undue or inordinate competition. Where an excess price is given for tenants' interest, it is not the occupier who is reaping the annual value of the excess, but the seller who has the excess in his pocket which cannot be rated.

12. Probably in the near future the purchase by occupiers of the full interest in the land will be greatly facilitated, and the operation greatly extended; in the present transition stage, it seems hardly possible to devise a scheme that would secure uniformity.

13. Griffith's valuation, at all events, has the merit of having been made upon something like a uniform system, by experienced men, under a Central Authority.

* See "Valuation of Real Property for Taxation," by Mr. Murreough O'Brien, *Journal of Statistical Society of Ireland*, 1878, p. 223, &c., and paper by W. F. Bailey, referred to *supra*.

† See evidence of Mr. W. F. Bailey, *Financial Relations Committee*, Q. 6160, &c.

‡ Minutes of Evidence, Vol. I., Q. 4305-10, &c. [c. 8763-1868].

§ It is to be noted that Griffith, in his instruction to valuers, did not regard the full task of competitive rent, but the fair rent to a solvent tenant.

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Agricultural land.
Re-valuation of.
These classes of
tenure. Different
principles of
valuation would
have to be applied
to each class.

Valuation. Prin-
ciple of hypothet-
ical tenant not
applicable to
Ireland

Agricultural land.
Re-valuation of.
Difficulty of making
judicial rents
fixed by the Land
Commission the
basis.
Should tenant
right be taken
into account, and
if so, how should
it be valued.

Agricultural land
Re-valuation of.
Difficulty of
securing
uniformity.
Griffith's valuation
was made upon
something like a
uniform system.

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14. Though too high in Ulster, as compared with the other Provinces, that is immaterial for the purpose of local rating, if in each Rural District and Union, which are the taxable areas, it is relatively uniform. In this respect Griffith's valuation is probably as uniform as any new valuation under existing conditions.* At any rate, it is useless to advocate re-valuation of land until a just and uniform principle of valuation be propounded that will harmonise with existing land legislation.

15. Quite other considerations apply to houses and buildings.

It seems clear from the evidence (1) that numbers of houses escape revision; (2) that old houses are not re-valued, except where there are structural alterations or the value decreased; (3) that increase of rent alone is not a ground for revision; (4) that even where there is re-valuation a percentage, amounting for all Ireland to 23½ per cent., is deducted to bring down new value to value under Griffith's valuation. Moreover, licensed premises are valued extremely low, the addition of one-fifth, or 20 per cent., to Griffith's valuation of the buildings, now allowed under one of the Inland Revenue Acts applying only to Imperial Taxation.†

16. There should be a compulsory general valuation of houses and buildings in County Boroughs and Urban Districts; not optional as is provided for under sec. 65 of the Local Government (Ireland) Act, which applies only to County Boroughs. The whole cost should, in fairness, fall on the Treasury, if the valuation is to be used as basis of income tax; especially as the whole cost of the Tenement and Townland valuations of 1846 and 1852 fell ultimately on the Grand Juries, and amounted to about 325,000*l.*, and such valuation has been largely used as basis of income tax, at any rate, since 1895.‡

II.—RAILWAYS.

17. The under-valuation of houses and buildings generally works a special injustice to Railway Companies, as, in valuing them, though professedly on a rental basis, no deduction is made (as is done in re-valuing new or altered buildings) to bring them down to the low level of Griffith's valuation.

18. The exemption of one person or class of property necessarily means the extra taxation of another.

19. The valuation in 1893 of the towns in Ireland that are Urban Sanitary Districts amounted to 3,351,906*l.* (see Local Taxation Return, 1897, p. 56), and it is obvious that an addition of even 20 per cent. to this valuation would materially reduce rates falling on railways within those districts, the total valuation of which throughout Ireland, i.e., both Rural and Urban Districts, is something over 500,000*l.* Only a fractional part of this 500,000*l.* would be within Urban Districts. The proximity of railways has, in fact, since 1852 largely increased the actual value of houses near them in towns, but the rateable value of such houses has not been increased in consequence. If land also is undervalued (see prices of 1852 compared with those of 1896. Part I. of Appendix to Vol. I. of Evidence, p. 142 [c. 8764-1896]), as has been stated, and if (as is certain) all improvements to land since Griffith's valuation, whether by landlord or tenant have escaped valuation, railways also suffer from this partial exemption. Enormous sums have been lent by the Board of Works since 1852 for the improvement of land in Ireland, and it is certain that a large area must have increased in value from the proximity of railways, the greater part of which have been made since 1852. I find that at that date only 666 miles of railway were made, now the mileage is 3,168.

20. Without entering on the question whether the present system of valuing railways results in a tax on profits or not, it is submitted that if the net receipts of the actual occupier are considered in valuing railways, they ought to be considered also in valuing land and buildings occupied by other industries. To secure uniformity, if levelling down is impossible, there should be levelling up of valuation of other properties.

21. It is suggested that high valuation of railways is justified, because they have a monopoly. There is, however, no logical connexion between the two notions.

There may be monopoly, in fact, but there is no statutory monopoly, in the case of railways.

* See Evidence of Mr. J. G. Barton, Financial Relations Commission. Vol. I., Q. 5637.

† Minutes of Evidence Vol. I., Q. 3536, note, 3543 [c. 8763-1898], and Part I. of Appendix, p. 140 [c. 8764-1898]. Evidence of Mr. J. G. Barton, Financial Relations Commission. Vol. I., Q. 5643, &c. See also Howe, Financial Relations Commission. Evidence, Q. 7315-4.

‡ Evidence of Mr. J. G. Barton, Financial Relations Commission, Q. 5633, &c.

There is no statutory protection against competing lines, the only real limit to competition being the unlikelihood that rival lines would pay.

Railways now perform services of general carriers and warehousemen, e.g., in collecting, loading, unloading, distributing goods, as to which they have no necessary monopoly.*

A similar remark applies to the business of manufacturing engines and rolling stock, which railways do for themselves.

22. On the other hand, if these assumptions are to be made and the actual tenant to be taken as the hypothetical tenant, why are not other industries, e.g., Guinness's Brewery, valued on the same basis?

Guinness's Brewery is valued at 10,750*l.*, i.e., value of site plus structural value of buildings and fixed machinery; this Company makes a net profit of 774,000*l.*, and puts 80,000*l.* to reserve, and it is obvious that the actual tenant in this case would be willing to pay as rent probably 10 times the actual rateable value.

Beneficial occupation should be valued, however it comes about, if it is beneficial in fact, or else profits should not be looked at in any case.

23. The fact that railways have what is called a monopoly is utterly immaterial; if occupation is, in fact, valuable, it is immaterial how it comes about, the valuator should consider only facts and results. The privileges which Railway Companies possess, chiefly affect the continuity of their business, the security of the capital subscribed, and the saleable value, but has little or nothing to do with the annual value of the line and stations.

24. Other industries, e.g., hotels, may not have the same security against competition, but as long, in fact, as there is no such competition, and profits are made, sexual value remains also. The return on all the capital invested in railways in the United Kingdom is, in fact, only 3.55 per cent., and that percentage has been almost continuously diminishing for the last 30 years, owing chiefly to percentage of increase of working expenses. (See Railway Returns for 1898, p. 8.)

25. The qualified franchise privileges which railways enjoy, was necessary to secure their being made, as otherwise the necessary capital would either never have been subscribed or would have been wasted, and in either event the loss would have been public and wider spread.

26. Otherwise their business as carriers is not in principle different from other businesses, except that the regulations† under which they work under public or private Acts is a full set off to, and check on the so-called monopoly.

27. If railways are to be rated in a peculiar manner, because monopolists, so ought the premises of other industries where patents are worked. A patent right, during its currency, is a more unqualified monopoly than that of a Railway Company; logically, therefore, the premises for instance of the Dunlop Company or the British Aluminium Company should be rated as railways are. The fixed machinery on a great many manufacturing premises are protected by patents.

28. In so far as industries are helped by trade names and trade marks they are monopolists, and it is obvious that the great brewers depend largely for their profits on this sole legal right of user.

29. Railways require for their business a much larger area of land than many other industries; but this was one of the main grounds on which agriculturists have continually sought and have now been granted subsidies in relief of rates.

30. Railway Companies have no votes on the new Local Bodies nor any control of the rates, though they are large ratepayers. Under the recent Local Government Act, the old Poor Rate which previously was divided between occupier and owner, and the old County Cess which in certain cases fell upon the owner, now fall entirely on the occupier, both in the case of lands and buildings, the necessary adjustment of rents being made,† the result is, that with few exceptions, under local Acts, &c. all future increase of rates falls on the occupier. The ground of this exemption, namely, the small control owners would have in fixing new rates, applies *a fortiori* to the case of Railway Companies who have no representation at all. The parliamentary franchise gives votes now to many who do not pay rates in any shape.

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or else, if it is so included, beneficial occupation should be the basis of valuation in all cases.

Railways.
Rating of.
Comparison with
agriculturalists.
Railways have no
representation on
Local Bodies and
no control over the
rates which may
be applied to
purposes opposed
to the interests of
the railway
companies.

* See Battersworth, on Railway Rates pp. 37, 67.

† Section 22 Railway Clauses Act, 1845, and Railway and Canal Traffic Acts.

† See ss. 52, 53, 54 Local Government (Ireland) Act, 1898.

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31. Moreover, the new bodies are given powers of spending money out of the rates not possessed by the old Grand Juries and Boards of Guardians, e.g., for technical instruction, to relieve exceptional distress by outdoor relief, to lay out public recreation grounds and walks, to buy land, to borrow money and issue stock, to oppose Bills in Parliament, and prosecute and defend legal proceedings, &c., (see Section 17 Local Government (Ireland) Act, 1898), and levy rates on railways for these purposes. Thus they can and have spent the rates contributed to by railways in opposing private railway bills in Parliament, and under the recent Agricultural Department Act, the rates can be used by local bodies in fighting Railway Companies before the Railway Commissioners or the Courts on behalf of private individuals.

Exemptions.
Railways should be exempt wholly or partially from any existing rates. Present exemptions under the Public Health (Ireland) Act, 1878, Towns Improvement Act, 1864, and under local Acts in Belfast and Dublin.

32. The principle of "benefit" must to some extent be regarded in local rating; and on this principle railways ought to be exempt wholly or partially from many existing rates, or the quota of such rates applicable, e.g., to the following purposes. (See Returns of Local Taxation for Ireland, 1897, pp. 9, 12.) :—

	£
Lunatic asylums	190,000
Public Health Act	79,000
Medical charities, &c.	164,000
Guarantees for railways, tramways, &c.	96,991
Labourers' Acts	135,397
Expenses of recording parliamentary franchise, list of voters, &c., and expense of triennial local election	(Returns not available).

Also great part of General rates in County Boroughs and Urban Districts.

33. The principle of total or partial exemption is admitted in the Public Health (Ireland) Act, 1878, by which lands used for a railway are liable for only one-fourth part of rate for sanitary expenses in Urban Sanitary Districts.

34. There are similar exempting provisions in the Towns Improvement Act, 1854 (railways rateable at one-fourth only), and under local Acts relating to Belfast and Dublin, in respect of the public water rate; in the one case railways being liable to one-fourth only, in the other being altogether free, if no water is supplied.*

Labourers' Cottages Acts.
Operations under result in a loss which falls on the rates and to which railways have to contribute.

35. The expenditure on cottages for agricultural labourers has amounted to about 1,400,000*l.*, and loans sanctioned to the amount of 1,908,000*l.* (See Local Government Board Report, 1898, p. 50-7.)

36. The rent derivable from the cottages amounted to 31,368*l.*, but there was 5,714*l.* in arrear, and even assuming the rent to be paid in full, it falls short of amount required to pay interest and sinking fund of the loans; thus taking average annuity payable to be 4½ per cent. (see p. 52, Report of Local Government Board) :—

	£
Annuity on 1,400,000 <i>l.</i> would be	63,000
Rent received, say	31,500
Loss (falling on rates)	£31,500

Why should Railway Companies contribute to this loss? The operations under the Act are being largely extended, and the tendency is to reduce the rent payable by the tenants.

37. The necessary effect of large statutory exemptions from rating in Ireland, is to increase the burden on other property which is fully rated. Property exempted is estimated at about three-quarters of a million per annum.†

38. The effect of the exemption, e.g., under section 14 of the Valuation Act, 1852 (drainage and other agricultural improvements less than seven years in existence), is indirectly to compel other rated property to contribute to their cost.

39. Neither is there any principle in allowing persons receiving rent from premises exempt from rating to pay only half the poundage rate, or pay on half valuation.‡

40. So the exemption of lands used for "public" and "charitable" purposes (in the wide legal sense given to the word charitable§), and of buildings used for purposes of literature, science, and arts, is to compel, practically, local contribution, to purposes of the general benefit, and *prima facie* to be supported by general taxation or contribution.

* Part I. of Appendix to Vol. I. of Evidence, pp. 199, 221. [C. 8784—1898.]

† Minutes of Evidence, Vol. I., Q. 3547. [C. 8763—1898.]

‡ Part I. of Appendix to Vol. I. of Evidence, p. 136. [C. 8784—1898.]

§ 266*d*, p. 137.

41. Besides, many of these exempted properties are far more concerned in the objects for which rates are spent than railways.

42. The subsidy to rates in respect of Agricultural Land is, in effect, a new exemption.

43. Public policy would seem to point to a low level of taxation for railways in Ireland, and Parliament seems to have been slightly inconsistent in advancing 4,101,000*l.* on loan, making a gift of something like 1,500,000*l.* to make railways in Ireland, and in abstaining from imposing the passenger duty, and then permitting them to be locally taxed on a higher basis than other property.*

Light railways.
Amount of loans to.
Railway companies have to contribute to the payment of the baronial guarantees.

44. The absurdity is seen when railways are made to contribute to the payment of the baronial guarantee on other railways in their district, though the guaranteed railways may be competitive.

45. The following statistics bear upon the points above referred to:—

Increase of local taxation in Ireland. Statistics.

The rates falling on real property have increased—

From 2,532,034*l.* in 1875

To 3,005,456*l.* in 1895.

Or, 20 per cent. in 20 years.

In 1897 such rates were 3,058,794*l.*

Total local taxation increased—

From 3,165,113*l.* in 1877

To 3,978,134*l.* in 1897,

Or, about 25 per cent. in 20 years.

Local taxation has increased per head of population—

From 6*s.* 5*d.* in 1861

To 16*s.* 9*d.* in 1895.

In 1897 railways in Ireland paid in rates	-	-	£ 98,763
„ total net receipts were	-	-	1,562,917

Increase of amount of rates paid by railway companies in Ireland.

So that rates amount to nearly $\frac{1}{15}$ th, or 6.32 per cent. of receipts.

In 1898 rates on railways amounted to	-	-	£ 106,581
„ net receipts amounted to	-	-	1,532,932
i.e., rates, $\frac{1}{14}$ th or 6.89 per cent. of net receipts.			

Total rates on real property in 1897 being 3,058,794*l.*

Railways then paid nearly $\frac{1}{15}$ th, and now pay more than $\frac{1}{15}$ th of total rates on real property.

Light railways appear to pay 463*l.* per annum in rates, though there is a deficiency in working of 861*l.* annually.

Total capital of Irish railways	-	-	£ 39,350,362
„ ordinary capital of Irish railways	-	-	16,159,991
Return on capital about 3.6 per cent.			
There was, in 1898, 2,921,175 <i>l.</i> of ordinary capital			
632,810 <i>l.</i> of preference capital			

Total - £3,553,985 of capital on which no dividend was paid.

46. The Waterford, Limerick, and Western Railway has (1896)—

Mileage	-	-	32 double.
			310 single.

Waterford, Limerick, and Western Railway. Valuation of, and rates paid by. Proportion of rates paid to net receipts. Comparison of amount paid per acre with that of adjoining land.

Total	-	-	342
-------	---	---	-----

Gross receipts	-	-	-	£ 250,257
Net receipts	-	-	-	97,081
Valuation	-	-	-	26,043
Rates	-	-	-	6,689

Rates, therefore, $\frac{1}{11}$ th, or above $6\frac{1}{2}$ per cent. of net receipts. Taking 7 acres to the mile of line, acreage would be 2,394, or a valuation of 11*l.* per acre. Thus, this railway pays 2*l.* 16*s.* annually on rates for each acre. If the average valuation of land

* Part I. of Appendix to Vol. I. of Evidence, p. 238. [C. 8764—1896.]

† *Ibid.*, pp. 269 and 270; Local Taxation (Ireland), Returns for 1898, p. 8, and Railway Returns, 1898.

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adjoining the railway be taken at 1*l*. per annum (a very high estimate), poor rate and county cess would amount to (according to 1897 rate) 3*s.*-7*d.* (*See* Local Taxation Returns, pp. 9, 23.)

47. Thus, Waterford and Limerick Railway pays in rates per acre 15½ times as much as land adjoining the railway, and the valuation is 11 times as great.

The rates paid (6,689*l.*) would suffice to pay a dividend on the ordinary capital (597,000*l.*) (now bearing no dividend) at the rate of 1½ per cent.

48. In the case of the Great Southern and Western Railway the figures (for 1898) are in some ways more startling.

The mileage is 671.

The net receipts are 396,446*l.*

Rates, 30,304*l.*, or about 7·7 of net receipts.

Taking eight acres to the mile, gives 5,368 as the area of the line.

This gives annual amount paid on rates as 5*l.*, 18*s.* per acre, or about 31 times the probable amount paid in rates per acre of adjoining land.

49. In these and similar cases a large area of the adjoining land has increased in actual value though not in rateable value owing to proximity of railway.

50. General result submitted:—

- (a.) Railways are over-valued relatively to other rateable property.
- (b.) Other rateable property is largely under-valued, and some unfairly exempted.
- (c.) Railways are unrepresented and have no voice in making of rates.
- (d.) Railways receive no benefit from a great part of local expenditure, and they should be exempted wholly or partially from many items.
- (e.) New rates and increased poundages are probable in the near future.
- (f.) Heavy taxation of railways is not for the public benefit.
- (g.) If present principle of valuing railways remains, ability to pay and actual profits ought to be considered in valuing other manufacturing and industrial premises.
- (h.) There should be a general re-valuation of houses, and buildings in corporate towns, and licensed premises should be valued at their full rental value.
- (i.) If there is no such general re-valuation, the valuation of railways should be reduced, say, 20 per cent., to bring it into line with low valuation of houses.
- (j.) If it is undesirable or impossible to have a re-valuation of land in Ireland, it would be unjust to increase valuation of railways in Rural Districts.
- (k.) In any event (having regard to c., d. and e.) since the Local Government Act a standard rate should be fixed in the case of railways (as in the case of owners*) so that they should not be liable for increase of rates.
- (l.) Many charges now falling on the rates are more properly of general concern, and cost should fall on general taxpayer.

This is the only way to make personal property generally pay its share of local burdens.

III.—VALUING AUTHORITY.

51. It is most undesirable to change the present system of valuation by a Central Authority; especially if a general valuation, in whole or part, is contemplated.

52. Local valuation has been already tried (under the Irish Poor Relief Act of 1838), and found wanting, by the House of Commons' Select Committee of 1844.

They reported that, in order to secure a correct, fair, and uniform valuation, the valutors should be appointed and superintended by a responsible officer with special acquaintance with the subject, and independent of the Local Authorities.†

53. The Commissioners appointed to inquire into the Grand Jury Laws in 1842 reported substantially to the same effect.

54. The case is, *a fortiori*, now that Local Bodies are largely elected by persons who are not ratepayers. Valuation should be uniform throughout Ireland, being the basis (optionally) of payment of Income Tax and of Death Duties; this can be only secured by a Central Valuing Authority.

55. Local Bodies have quite enough to do without adding to their duties; and even if they selected the most experienced and impartial men in their districts, it is doubtful whether persons with the necessary qualifications could be found in many districts in Ireland.

* Sections 48 and 52 Local Government (Ireland) Act.

† Part I. of Appendix to Vol. I. of Evidence, pp. 128, 129, &c. [C. 8764.—1838.]

Great Southern
and Western
Railway.
Proportion of rates
paid to net receipts
and amount of
rates paid per acre
compared with
adjoining land.

Railways.
Valuation and
rating of.
General results
submitted.

Valuation.
System of.
Reasons why the
valuation should
be made by a
Central Authority
and not by Local
Authorities.

56. There are certainly no such persons to be found (generally) locally capable of valuing such properties as railways.

The inconsistencies, trouble, and expense of locally valuing properties, such as railways, which extend over a number of areas, is sufficiently proved by English experience.

57. There should be the fullest right of objection, of giving evidence and publicity in any general re-valuation, but the final decision and responsibility should rest with the head official, subject to such right of appeal as may be thought necessary.

58. The valuation of railways by Local Assessment Committees might work great injustice. The temptation would certainly not be to under-value unrepresented property.

59. Other considerations pointing to advantage of Central Authority are that the limitation on borrowing by local bodies under Public Health and other Acts are based upon the assessable value; such value is also considered by the Board of Works in authorising loans for private improvements, and is made the basis of apportioning local taxation under the Local Government (Ireland) Act, 1898.*

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APPENDIX XX.

Memorandum prepared for the Commission by Mr. William L. Micks. [See MINUTES OF EVIDENCE, QUESTIONS 26,823-27,001.]

1. Has been a Commissioner on the Local Government Board for Ireland since May 1898. Was Secretary to the Congested Districts Board for Ireland from its formation in August 1891 to May 1898.

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2. Is not now deputed by either the Local Government Board or the Congested Districts Board to express any opinion on their behalf, but is giving evidence personally at the request of the Royal Commission on Local Taxation.

3. Considers that, as regards local taxation and otherwise, the inhabitants of the Congested Districts in Ireland are in a most exceptional position with reference to their capacity to pay taxes. The following figures show what ratio the congested districts bear to the rest of Ireland:—

Congested Districts. Ratio to rest of Ireland, and classes of inhabitants.

	Area in Statute Acres.	Poor Law Valuation.	Population in 1891.	Poor Law Valuation per Head of Population.
Congested districts - -	3,353,000	£ 547,000	563,000	£ s. d. 1 0 2
Rest of Ireland - -	16,645,000	13,455,000	4,162,000	3 4 7
All Ireland - -	20,198,000	14,000,000	4,794,000	3 0 0

4. There are not in the Congested Districts, as in other localities, the usual classes—wealthy, well-to-do, poor, and destitute. In these districts only the poor and destitute are to be found, if we except the small number of shopkeepers, clergy, doctors, school teachers, and officials. The number of resident gentry is very small indeed.

5. Many localities similar to Congested Districts exist in the north-west, west, and south-west of Ireland, but they are not "congested," because in an entire electoral division the poor law valuation exceeds the standard ratio of 12. 10s. per head of population.

* See section 51.

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TABLE I., SHOWING THE AMOUNT IN THE £ OF LOCAL TAXATION IN SOME ELECTORAL DIVISIONS IN CONGESTED DISTRICTS IN IRELAND.

Electoral Division.	Poor Law Union.	Barony.	County.	Poor Rate, Average Percentage for Five Years ended 1896.	County Cons. Average Percentage for Five Years ended 1896.	Total Local Taxation, Average Percentage for Five Years ended 1896.
Ards - - -	Dunfarghy -	Kilkeash -	Donegal -	1 3	3 1	4 4
Crossmear - -	" -	" -	" -	2 0	3 1	5 1
Crosslough - -	" -	" -	" -	1 5	3 1	4 6
Crossroads - -	" -	" -	" -	2 0	3 1	5 1
Dee Castle - -	" -	" -	" -	1 4	3 1	4 5
Dunfarghy - -	" -	" -	" -	1 6	3 1	4 7
Dunlavy - - -	" -	" -	" -	2 2	3 1	5 3
Gortshork - -	" -	" -	" -	1 10	3 1	4 11
Magheralogher -	" -	" -	" -	1 10	3 1	4 11
Moonadady - -	" -	" -	" -	2 4	3 1	5 5
Average for Union -				1 9	3 1	4 10
Antargary - -	Glenties -	Boylagh -	Donegal -	5 5	5 1	10 6
Ardes - - -	" -	Bannagh -	" -	3 1	3 4	6 5
Ardes - - -	" -	Bannagh -	" -	3 8	5 1	8 9
Crosby - - -	" -	" -	" -	3 11	5 1	9 0
Crosslough -	" -	Bannagh -	" -	2 2	3 4	5 6
Crossmear - -	" -	" -	" -	1 10	3 4	5 2
Dunlavy - - -	" -	Boylagh -	" -	2 2	5 1	7 3
Dunlavy - - -	" -	" -	" -	8 10	5 1	8 11
Dunlough - -	" -	" -	" -	4 0	5 1	9 1
Finlora - - -	" -	" -	" -	5 1	5 1	8 2
Glencolumbkille -	" -	Bannagh -	" -	2 6	3 4	6 10
Glenties - -	" -	" -	" -	2 3	3 4	5 7
Glenties - -	" -	Boylagh -	" -	3 9	5 1	8 10
Glenties - -	" -	" -	" -	2 11	5 1	8 0
Grady - - -	" -	" -	" -	2 9	5 1	7 10
Inchkeel - -	" -	Bannagh -	" -	2 1	3 4	5 5
Kilcar - - -	" -	" -	" -	3 1	3 4	6 5
Kilgoly - - -	" -	" -	" -	2 10	3 4	6 2
Killybegs - -	" -	" -	" -	2 7	3 4	5 11
Largymore - -	" -	" -	" -	2 2	3 4	5 6
Lettismacward -	" -	Boylagh -	" -	3 9	5 1	8 10
Maas - - -	" -	" -	" -	2 1	5 1	7 2
Maghera - - -	" -	" -	" -	4 2	5 1	9 3
Mellishbeg - -	" -	Bannagh -	" -	2 0	3 4	5 4
Mullingbeg - -	" -	" -	" -	1 10	3 4	5 2
Reiland - - -	" -	Boylagh -	" -	4 5	5 1	9 6
Tieverkeels - -	" -	Bannagh -	" -	3 1	3 4	6 5
Average for Union -				3 0	4 3	7 3
Banger - - -	Belmullet -	Erris -	Mayo -	3 2	3 0	6 2
Barronky - - -	" -	" -	" -	3 3	3 0	6 3
Belmullet - -	" -	" -	" -	4 5	3 0	7 5
Binghamstown, North	" -	" -	" -	3 9	3 0	6 9
" - - - South	" -	" -	" -	3 5	3 0	6 5
Glenties - -	" -	" -	" -	3 1	3 0	6 1
Glenties - -	" -	" -	" -	3 7	3 0	6 7
Glenties - -	" -	" -	" -	2 9	3 0	5 9
Glenties - -	" -	" -	" -	2 10	3 0	5 10
Knockaduff - -	" -	" -	" -	4 4	3 0	7 4
Knocknawater -	" -	" -	" -	4 1	3 0	7 1
Mullingbeg - -	" -	" -	" -	4 2	3 0	7 2
Mullingbeg - -	" -	" -	" -	3 3	3 0	6 3
Rathliff - - -	" -	" -	" -	3 2	3 0	6 2
Shanahan - - -	" -	" -	" -	3 10	3 0	6 10
Average for Union -				3 6	3 0	6 6

Congested Districts in Ireland. Local Taxation in five years ended 1898.

Electoral Division.	Poor Law Union.	Rurcy.	County.	Poor Rate Average Percentage for Five Years ended 1898.	County Poor Average Percentage for Five Years ended 1898.	Total Local Taxation Average Percentage for Five Years ended 1898.
Ashill -	Westport -	Barrishooke, North† -	Mayo -	s. d. 4 8	s. d. 2 9	s. d. 7 5
Aghagower, North* -	" -	" South -	" -	1 0	2 1	3 1
" South -	" -	" -	" -	1 7	2 1	3 8
Allimore -	" -	Murrisk -	" -	1 11	3 2	5 1
Ballycorry, North -	" -	Erris -	" -	2 11	3 0	5 11*
" South -	" -	" -	" -	3 0	3 0	6 0
Bendarragh* -	" -	Murrisk -	" -	1 9	3 2	4 11
Clare Island -	" -	" -	" -	3 9	3 2	6 11
Claghier -	" -	Barrishooke, South -	" -	1 4	2 1	3 5
Corran Ashill -	" -	" North -	" -	4 1	2 9	6 10
Crough Patrick -	" -	Murrisk -	" -	1 5	3 2	4 7
Derryloaghan* -	" -	Barrishooke, North -	" -	1 4	2 9	4 1
Decega -	" -	" -	" -	3 8	2 9	6 5
Drumoin -	" -	Murrisk -	" -	1 10	3 2	5 0
Enalagh -	" -	" -	" -	1 6	3 2	4 8
Erris* -	" -	" -	" -	0 8	3 2	3 10
Glenhest -	" -	" -	" -	1 7	2 1	3 8
Islandeady -	" -	Tirawley -	" -	1 3	2 1	3 4
Kilgeover -	" -	Barrishooke, South -	" -	1 7	3 2	4 9
Kilmaclawer* -	" -	Murrisk -	" -	1 2	2 1	3 3
Kilmeena* -	" -	Barrishooke, South -	" -	1 1	2 1	3 2
Kilnallagh -	" -	" -	" -	1 8	3 2	4 10
Knappegh -	" -	Murrisk -	" -	1 2	2 1	3 3
Lonsburgh -	" -	Barrishooke, South -	" -	2 2	3 2	5 4
Newport, East -	" -	Murrisk -	" -	1 11	2 9	4 8
Newport, West -	" -	Barrishooke, North -	" -	1 9	2 9	4 6
Owensdown* -	" -	" -	" -	1 5	3 2	4 5
Slieve Mahonagh -	" -	Murrisk -	" -	1 0	3 2	4 2
Sliemore -	" -	" -	" -	3 0	2 9	5 9
Strahane -	" -	Barrishooke, North -	" -	1 3	2 9	4 0
Westport* -	" -	" -	" -	2 2	3 2	5 4
Average for Union -				1 11	2 7	4 6
Aghamore -	Swinsford -	Costello -	Mayo -	2 4	2 8	5 0
Bellinamore* -	" -	Gallen -	" -	1 5	2 6	3 11
Bobak* -	" -	" -	" -	1 5	2 6	3 11
Buckleen -	" -	" -	" -	3 2	2 6	5 8
Callow -	" -	" -	" -	2 5	2 6	4 11
Clovenore -	" -	Costello -	" -	3 0	2 8	5 8
Codrincha -	" -	" -	" -	2 0	2 8	4 8
Cardice -	" -	Gallen -	" -	2 3	2 6	4 9
Doonah -	" -	Costello -	" -	3 0	2 8	5 8
Kilbeagh -	" -	" -	" -	3 4	2 8	6 0
Kilbilly -	" -	" -	" -	2 3	2 8	4 11
Kilbaha -	" -	Gallen -	" -	1 8	2 6	4 2
Kilmeave -	" -	Costello -	" -	2 8	2 8	5 4
Kilnashagh -	" -	Gallen -	" -	2 3	2 6	4 9
Mallack -	" -	" -	" -	1 11	2 6	4 5
Stranagh -	" -	Costello -	" -	3 1	2 8	5 9
Striford -	" -	Gallen -	" -	3 2	2 6	5 8
Townanagh -	" -	" -	" -	1 7	2 6	4 1
Toomore -	" -	" -	" -	2 10	2 6	5 4
Tungath -	" -	" -	" -	1 11	2 6	4 5
Uchar -	" -	Costello -	" -	2 8	2 8	5 4
Average for Union -				2 5	2 7	5 0
Ballynalili -	Chiloe -	Ballynahinch -	Galway -	2 0	3 0	5 0
Bencorr* -	" -	" -	" -	2 11	3 0	5 11
Bonserra -	" -	" -	" -	4 2	3 0	7 2
Clappa -	" -	" -	" -	3 5	3 0	6 5
Cliden -	" -	" -	" -	4 2	3 0	7 2
Cushilly -	" -	" -	" -	2 4	3 0	5 4

* Not congested.

† A small portion in Barony of Erris.

APP. XX.

Computed
Districts in
Ireland. Local
Taxation in five
years ended 1898.

Electoral Division.	Poor Law Union.	Township.	County.	Rate Average for Five Years ended 1898.	Rate Average for Five Years ended 1895.	Total Local Taxation. Average for Five Years ended 1898.
Derryinagh*	Cilldon	Ballymahinch	Galway	2. 0	2. 0	5. 0
Derrylo	"	"	"	2. 1	2. 0	5. 1
Deenkoughan	"	"	"	4. 2	3. 0	7. 2
Kristinnon	"	"	"	4. 5	3. 0	7. 5
Ellon	"	"	"	3. 3	3. 0	6. 3
Inishbally	"	"	"	4. 10	3. 0	7. 10
Knockboy	"	"	"	4. 2	3. 0	7. 2
Moyras	"	"	"	3. 3	3. 0	6. 3
Orengowla	"	"	"	4. 1	3. 0	7. 1
Blurela	"	"	"	3. 5	3. 0	6. 5
Ronastone	"	"	"	4. 2	3. 0	7. 2
Silma	"	"	"	4. 5	3. 0	7. 5
Slannive	"	"	"	4. 2	3. 0	7. 2
Average for Union				3. 7	3. 0	6. 7
Cumas	Oughterard	Moyneen	Galway	2. 11	2. 9	5. 8
Cloobur	"	Ross	"	2. 8	2. 4	5. 0
Cong	"	Moyneen	"	2. 9	2. 9	5. 6
Crangan	"	"	"	4. 6	2. 9	7. 5
Cur	"	Ross	"	2. 11	2. 4	5. 8
Garranna	"	Moyneen	"	4. 0	2. 9	6. 9
Kilmanin	"	"	"	2. 10	2. 9	5. 7
Letterleickan	"	Ross	"	2. 6	2. 4	5. 10
Letterlure	"	Moyneen	"	2. 3	2. 9	5. 0
Lettermore	"	"	"	4. 0	2. 9	6. 9
Oughterard	"	"	"	2. 5	2. 9	5. 3
Ross	"	Ross	"	3. 5	3. 4	6. 9
Turlough	"	Moyneen	"	3. 6	2. 9	6. 3
Wernohole	"	"	"	3. 3	2. 9	6. 0
Average for Union				3. 2	3. 1	6. 3
Balaghs	Caherdreen	Iveragh	Kerry	2. 4	5. 4	7. 8
Ballynecollege	"	"	"	3. 8	5. 4	9. 0
Ballyvaugh	"	Dunkerron, South	"	2. 3	3. 5	5. 8
Caher	"	Iveragh	"	3. 5	5. 4	8. 9
Caherdaniel	"	Dunkerron, South	"	1. 11	3. 5	5. 4
Carrig	"	Iveragh	"	2. 9	5. 4	8. 1
Castleguin	"	"	"	2. 3	5. 4	7. 7
Coom	"	Dunkerron, North	"	3. 7	3. 4	6. 11
Currighbeg	"	"	"	3. 11	5. 4	7. 3
Dertiam	"	Iveragh	"	2. 1	5. 4	7. 5
Derrynane	"	Dunkerron, South	"	2. 6	3. 5	5. 11
Enlugh	"	Iveragh	"	2. 5	5. 4	7. 9
Glanbally	"	"	"	3. 5	5. 4	8. 9
Killbane	"	"	"	2. 2	5. 4	7. 6
Lickan	"	"	"	1. 7	5. 4	6. 11
Loughcorran	"	"	"	5. 6	5. 4	8. 10
Masterech	"	"	"	1. 10	5. 4	7. 2
Moss	"	Dunkerron, North	"	3. 1	5. 4	6. 5
Portagee	"	Iveragh	"	3. 1	5. 4	8. 5
St. Finian's	"	"	"	2. 3	5. 4	7. 7
Teemoreagh	"	"	"	2. 6	5. 4	7. 10
Valencia	"	"	"	2. 6	5. 4	7. 10
Average for Union				2. 8	4. 0	6. 8

* Not computed.

TABLE II., SHOWING THE AMOUNT IN THE £ OF LOCAL TAXATION IN THE UNDER-MENTIONED
ELECTORAL DIVISIONS IN UNCONQUERED DISTRICTS IN IRELAND.

APP. XX.

Unconquered
Districts in
Ireland. Local
Taxation in five
years ended 1898.

Note.—The three Unions of Armagh, Londonderry, and Newtownards were selected by me as specimens of lightly taxed Unions. I am sure, however, that there are a great many Unions in which local taxation is less than in Londonderry, where County Cos is unusually high for the North of Ireland.

Electoral Division.	Poor Law Union.	Barony.	County.	Poor Rate Average Percentage for Five Years ended 1898.	County Cos. Average Percentage for Five Years ended 1898.	Total Local Taxation. Average Percentage for Five Years ended 1898.
Armaghmore -	Armagh	Oncilland West	Armagh	s. d.	s. d.	s. d.
Armagh (Barrel)	"	Armagh	"	0 6	2 1	2 7
Armaghmore -	"	"	"	0 9	1 10	2 7
Ballyards -	"	"	"	0 8	1 10	2 6
Ballymore -	"	"	"	0 4	1 10	2 2
Brookly -	"	"	"	0 5	1 10	2 3
Caledon -	"	"	"	0 4	1 10	2 2
Charlemont -	"	Lower Dargstown	Tyrone	0 5	2 10	3 3
Clady -	"	Armagh	Armagh	0 8	1 10	2 6
Crossmore -	"	Lower Fews	"	0 5	1 10	2 3
Deerbrook -	"	Armagh	"	0 6	1 10	2 4
Glenn -	"	Timony	"	0 5	1 11	2 4
Grange -	"	"	"	0 5	1 11	2 4
Headman's Bawn -	"	Armagh	"	0 5	1 10	2 3
Hockley -	"	Lower Fews	"	0 6	1 10	2 4
Keady -	"	Oncilland West	"	0 5	2 1	2 6
Kilbane -	"	Armagh	"	0 9	1 10	2 7
Killymore -	"	Lower Fews	"	0 4	1 10	2 2
Kilmore -	"	Oncilland West	"	0 6	2 1	2 7
Lisnall -	"	"	"	0 6	2 1	2 7
Lisnall -	"	Lower Fews	"	0 6	1 10	2 4
Loughgall -	"	Oncilland West	"	0 7	2 1	2 8
Market Hill -	"	Lower Fews	"	0 6	1 10	2 4
Mileton -	"	Timony	"	0 5	1 11	2 5
Richhill -	"	Oncilland West	"	0 6	2 1	2 7
Tullymore -	"	"	"	0 6	2 1	2 7
Tyran -	"	Armagh	"	0 4	1 10	2 2
Average for Union				0 6	2 1	2 7
Admore -	Londonderry	Tirkennan	Londonderry	0 6	3 0	3 6
Ballymullins -	" (Barrel)	"	"	0 8	3 0	3 8
Donagher -	"	"	"	0 7	3 0	3 7
Don's Town -	"	Inishowen West	Donagall	0 6	3 0	3 6
Don's Glen -	"	Tirkennan	Londonderry	0 7	3 0	3 7
Don -	"	Inishowen West	Donagall	0 6	3 0	3 6
Castleward -	"	Raphoe North	"	0 7	2 11	3 0
City and Suburbs (Barrel).	"	N. W. Londonderry	Londonderry	0 6	3 7	4 1
Clady -	"	Tirkennan	"	0 7	3 0	3 7
Eglinton -	"	"	"	0 6	3 0	3 6
Fahan -	"	Inishowen West	Donagall	0 8	3 0	3 8
Glendarnet -	"	Tirkennan	Londonderry	0 6	3 0	3 6
Inch Island -	"	Inishowen West	Donagall	0 5	3 0	3 5
Kilberry -	"	"	"	0 6	3 0	3 6
Kilrea -	"	Raphoe North	"	0 6	2 11	3 5
Lough Beg -	"	Tirkennan	Londonderry	0 5	3 0	3 5
Lower Liberties (Barrel).	"	N. W. Londonderry	"	0 6	3 7	4 1
Newtown Cunningham	"	Raphoe North	Donagall	0 5	2 11	3 4
Tennaherin -	"	Tirkennan	Londonderry	0 7	3 0	3 7
Three Trees -	"	Inishowen West	Donagall	0 6	3 0	3 6
Upper Liberties (Barrel).	"	N. W. Londonderry	Londonderry	0 5	3 7	4 0
Waterville (Barrel) -	"	Tirkennan	"	0 7	3 0	3 7
Average for Union				0 6	3 1	3 7

APP. XX.

Uncongested
Districts in
Ireland. Local
Taxation in five
years ended 1898.

Electional Division.	Poor Law Union.	Barony.	County.	Poor Rate. Average Poundage for Five Years ended 1898.	County Rate Average Poundage for Five Years ended 1898.	Total Local Taxation. Average Poundage for Five Years ended 1898.
Ballygowan -	Newtownards	Castlerough Lower -	Down -	s. d. 0 10	s. d. 2 0	s. d. 2 10
Ballyhalbert -	"	Ards Upper -	" -	0 10	1 7	2 5
Ballymagliff -	"	Castlerough Lower -	" -	0 7	2 0	2 7
Ballyvaughan -	"	Ards Upper -	" -	0 8	1 7	2 3
Bangan (Baron) -	"	" Lower -	" -	0 9	2 0	2 9
Carrowmore -	"	" " -	" -	0 9	2 0	2 9
Comber -	"	Castlerough Lower -	" -	1 1	2 0	3 1
Donaghadee -	"	Ards Lower -	" -	1 0	2 0	3 0
Grey Abbey -	"	" " -	" -	1 0	2 0	3 0
Kilmead -	"	Castlerough Lower -	" -	0 9	2 0	2 9
Kircubbin -	"	Ards Upper -	" -	0 11	1 7	2 6
Monaghan -	"	Castlerough Lower -	" -	0 10	2 0	2 10
Mountstewart -	"	Ards Lower -	" -	0 7	2 0	2 7
Newtownards (Baron) -	"	" " -	" -	1 0	2 0	3 0
Newtownards South (Baron) -	"	Castlerough Lower -	" -	1 3	2 0	3 3
Tollymore -	"	" " -	" -	0 8	2 0	2 8
Average for Union -				0 11	1 10	2 9

APPENDIX XXI.

Memorandum prepared for the Commission by Mr. Henry Plews, representing the Irish Railway Companies. [See MINUTES OF EVIDENCE, QUESTIONS 27,002-27,112.]

APP. XXI.

1. I am General Manager of the Great Northern (Ireland) Railway Company, and I have been connected with Irish Railways for upwards of 30 years.

I appear before this Royal Commission at the request of the Railway Companies of Ireland, parties to the Railway Clearing House, who consider it desirable that their views in reference to certain matters affecting the Valuation of Railways in Ireland should be laid before the Commission.

2. The Irish Railway Companies are strongly in favour of a continuance of the present system of each railway being valued as a whole by the Government Valuator, who is an entirely disinterested official.

3. A valuation by such an Authority is arrived at on a general understood principle, which is simple and economical, it being accepted with much more confidence than could possibly be accorded to valuations made by various Local Authorities through whose districts a railway runs.

4. If the alternative to the present system was a constitution of the Local Authorities as the Assessment Committee, the cost of obtaining valuations would be enormously increased. There are various objections to the adoption of such a system in Ireland.

5. The Railway Companies believe that the method recently adopted by the Commissioner of Valuation for Ireland of allocating the cumulo value of a railway after deducting the value of stations, &c., on the basis of train mileage amongst the different rating areas through which the line passes has already been explained to the Royal Commission.

This is a system very simple in its operation, and one which is considered to be fair and equitable as a basis for allocation.

Railways,
valuation of.
Present system of
cumulo valuation
satisfactory.
Valuation by Local
Authorities would
be more costly.

Railways,
valuation of.
Method of
apportionment of
cumulo value on
basis of train
mileage fair and
equitable.

6. Out of the cumulo value the Commissioner first allocates to stations, &c., a fixed sum equal to 4 per cent. upon their full structural value.

Art. XXI.

7. A valuation in this form is not conformable to Section 20 of the Valuation (Ireland) Act, 1852, as it is not proportionate and uniform to the mode of valuing buildings other than railway properties. If this disproportion cannot be easily remedied, it would be some approach towards uniformity if this interest was reduced from 4 to 3 per cent.

Stations are valued at 4 per cent. on their structural value. The percentage should be reduced to 3.

8. The allowances made in the valuation of an Irish railway in respect of the capital employed by the Company in its capacity as tenant are equal to 17½ per cent. on such capital, and cover interest, trade profits, depreciation of rolling stock, risks and casualties, skill, energy, &c.

Railways, valuation of. Allowances on tenant's capital should be fixed by statute and should be 20 to 25 per cent. Present allowance is 17½ per cent.

9. It has been suggested, and very properly, that the allowances under this head should be fixed by statute. In this the Irish Railway Companies concur, and consider that from 20 to 25 per cent. would be a very moderate rate at which to fix these allowances, having regard to the circumstances affecting the cost of working railways.

10. The Irish Railway Companies are prejudiced by the valuation of their building properties not being dealt with on the same principle as other buildings, as their valuation is the full net annual value, ascertained in the same manner as other adjoining properties, which latter receive a reduction of about 23½ per cent. upon the average, whereas Railway Companies get no allowance whatever.

Railways, valuation of buildings. 23½ per cent. reduction not allowed as in the case of other properties.

11. Under the Towns Improvement Act, 1854, Railway Companies pay upon one-fourth the net annual value of lands used as a railway in respect of rates levied under this Act. Some towns are exempt from the operation of the Act, and in other cases the Railway Companies only receive consideration to the extent of this reduction of one-fourth the net annual value of the lands upon those rates that are levied under the Public Health (Ireland) Act, 1878; some towns being exempt from the operation of both Acts.

Railways, rating of. Partial exemption now given under the Towns Improvement Act, 1854, and the Public Health (Ireland) Act, 1878, does not apply to all towns. This should be remedied.

12. Where departures from the principle of the Act of 1854 exist these would appear to have been made inadvertently. For instance, the town of Enniskillen and the township of Clontarf are under special Acts whose rating clauses do not provide for the partial exemption allowed under the Act of 1854, and the reduction to one-fourth the net annual value only applies in the case of these two places to the rates levied by them under the Act of 1878. In the case of Dublin, the Great Northern Company gets no reduction whatever, but pays the full City rates upon the lands within the City boundary. The Railway Companies think this is a state of things which should be remedied by their being given the benefit of remission under these Acts in all cases, any special provision notwithstanding.

APPENDIX XXII.

Memorandum prepared for the Commission by Mr. Walter Bailey, representing the Irish Railway Companies. [See MINUTES OF EVIDENCE, QUESTIONS 27,413-27,493.]

I. I am Accountant of the Belfast and Northern Counties Railway Company, which position I have filled for the past 13 years. Previous to this I was for many years in the Accounting Department of the South-Eastern Railway Company in London.

Art. XXII.

I appear before this Royal Commission on behalf and at the request of the Railway Companies of Ireland, parties to the Irish Railway Clearing House.

It is considered desirable that the views of these Companies on certain matters affecting the valuation of the railways of Ireland should be submitted to the Royal Commission.

ART. XXII.

Railways,
Government
valuation
satisfactory.
Railways,
valuation of.
Mode of apportion-
ment of cumulo
value on basis of
train mileage
satisfactory

Stations are valued
at 4 per cent. on
their structural
value. The
percentage
should be reduced
to 3.

Railways,
valuation of.
If deductions are
made statutory,
that on tenant's
capital should be
not less than
20 per cent.
instead of 17½
per cent. as at present

Railways.
The valuation of,
is not propo-
tionate to that of
other properties.
This should be
remedied.

Railways,
valuation of.
Partial
exemption under
the Public Health
Acts and the
Towns Improve-
ment Act should
be extended to all
similar rates.

2. The Railway Companies consider that the present system of valuing each railway as a whole by a disinterested Government official is equitable, simple, and economical, and should therefore be continued.

3. Mr. Barton, the Commissioner of Valuation for Ireland, has already explained to the Royal Commission the method he has recently adopted of allocating the cumulo value of a railway after deducting the value of stations, &c., on the basis of train mileage amongst the different rating areas through which the line passes.

4. The Railway Companies are of the opinion that this method of apportionment, when applied to Irish railways, so closely conforms in its results to the statutory principle upon which all hereditaments are valued as should render it satisfactory to the Railway Companies and the Rating Authorities alike.

5. Out of the cumulo value the Commissioner first allocates to stations, &c., a fixed preferential amount equal to 4 per cent. upon their structural value.

6. The Railway Companies agree with the Railway Assessor for Scotland, and the Rating Surveyor to the Midland Railway of England, that an allowance of 3 per cent. upon the structural cost would more fairly apportion the cumulo value between the "stations" and the "line of railway."

7. The allowances made in the valuation of an Irish railway in respect of the capital employed by the Company in its capacity of tenant are equal to 17½ per cent. of such capital, and cover interest, trade profits, depreciation of rolling stock, and risks and casualties.

8. If the suggestion made by several witnesses that the allowances under this head should be fixed by statute is approved of by the Royal Commission, the Irish Railway Companies are of the opinion that in the aggregate they should amount to not less than 20 per cent. of the tenant's capital.

9. The Irish Railway Companies are prejudiced by the general undervaluation of other properties than railways and undertakings of a similar nature. The result of this undervaluation, which arises from the obligation put upon the Commissioner of Valuation to make the valuation of new property proportionate to that of the hereditaments which were in existence at the time Griffith's Valuation was made, is that railways, being assessed at their full net annual value, bear more than their fair share of local burdens.

10. The Railway Companies consider that this grievance should be redressed by making the valuation of all hereditaments proportionate and uniform, in accordance with the provisions of section 20 of the Valuation Act of 1852.

11. Under the Public Health Acts and the Towns Improvement Act, lands used as a railway are liable in the proportion of one-fourth only of the net annual value in respect of certain rates levied under their provisions.

12. The Irish Railway Companies concur in the view expressed in the evidence given by the representatives of the English Companies that this exemption should be extended to all rates of a similar nature to those already entitled to it, wherever and however levied.

APPENDIX XXIII.

Memorandum prepared for the Commission by Mr. J. G. Barton, C.B., Commissioner of Valuation. [*See MINUTES OF EVIDENCE, QUESTIONS 27,494-27,538.*]

ART. XXIII.

1. Having already sent in a statement on the subject of the Valuation of Property for Rating Purposes in Ireland,* I now propose to confine my remarks to the several points touched on by the Irish witnesses regarding the work of my Department.

* See C. 8764-1868, p. 276.

2. The question as to whether it would be desirable to carry out a re-valuation, and to revise it through Local Authorities, as in England, or through a Central department, such as the existing Valuation Office, has been raised by several witnesses.

3. In my opinion it would not be desirable to transfer this valuation work to the Local Bodies, for the following reasons:—

- (i.) Because, owing to the feeling which exists between the landlords and the occupiers of land in Ireland, any re-valuation made by Local Authorities would not commend itself to both classes interested.
- (ii.) Because the principal owners of rateable property in Ireland are practically unrepresented on most of the Local Bodies.
- (iii.) Because the Local Authorities have little or no knowledge of valuation and survey work, and would find it difficult to get properly trained surveyors and valuers to assist them.
- (iv.) Because the cost both of re-valuation and revision would be very largely increased.
- (v.) Because the valuation of such property as railways, canals, &c., which run through a number of rating areas, can be much more effectively and cheaply dealt with by a Central authority than by several independent Local Authorities.
- (vi.) Because all rateable property would not to the same extent be valued on a uniform basis throughout the country; and uniformity in regard to exemptions which can be secured by one impartial Authority acting for the whole of Ireland would hardly be guaranteed if left in the hands of Local Councils who differ so materially in their views on the question as do those in the north and south of Ireland.

4. The chief portion of the annual revision work in the Rural Districts is farm surveying work, which does not require local knowledge. In the cases where local knowledge is necessary, I am of opinion that my valuers, who, as far as possible, work each year in the same district, are as competent an authority on the value of ground rents and cost of buildings as any men appointed by the Local Authorities would be.

5. One or two witnesses were apparently under the impression that Government property was not valued as highly in Ireland as other property on which rates were paid. This is a mistake. Government property in Ireland is valued on exactly the same basis as other property of a similar character, *i.e.*, its letting value. I may mention that in 1894 the valuation of the Government property in Dublin was brought under my notice by the Corporation, and I accordingly revalued it. The Corporation were apparently satisfied with the result, as, although they employed a valuer of their own to check my figures, they did not appeal.

6. As regards the inequalities in the valuation of Dublin, I would remark that this is a matter which can be put right at any time by the Corporation, who have only to apply for a revaluation under section 65 of the Local Government (Ireland) Act, 1896, a course which has already been taken in Belfast. I may, however, state that these inequalities are not, in my opinion, so glaring as the evidence of one of the witnesses would seem to imply. Although the Dublin and Kingstown Railway valuation has been reduced, as stated, the valuation of the property of the competing company (the Tramways Company) has been largely increased.

7. As regards the gasworks, to which reference was also made, the valuation of over 9,000*l.* was fixed in 1877 on the basis of net annual profits of 27,500*l.* These profits now appear to be 43,000*l.*, and a re-valuation can be made at any time on the application of a ratepayer.

8. It was also suggested that because the poor rate collector in Dublin was under a Government officer, applications for revision have not been generally made, but as it is open to every ratepayer in the city to ask for a revision of the valuation of any rateable hereditament in it, the objection would not appear to have much force.

9. In the replies to queries 24,006 and following numbers, it is urged that shootings, fishings, mines, and quarries are not as highly valued as they ought to be. Fishings, mines, and quarries are valued on exactly the same basis as other rateable hereditaments of a similar nature, and considering that frequent revisions of the Valuations of these hereditaments are made it may be assumed that, generally speaking, they are quite as highly valued as other rateable hereditaments throughout the country, shootings only of the hereditaments mentioned are not rateable in Ireland.

APP. XXIII.

Re-valuation of Ireland.
Reasons against transferring the work of valuation to Local Bodies.

Government property. Alleged under-valuation of. It is valued on the same basis as similar property, that is, letting value.

Dublin. Inequalities in valuation not so great as alleged. Corporation have the power to apply for a revaluation under the Local Government (Ireland) Act. Valuation of the Dublin and Kingstown Railway and the Dublin Gas Company.

Dublin. Revision of valuation. Every ratepayer may ask for a revision of the valuation of any hereditament.

Shootings, fishings, mines, and quarries. Shootings are not rateable in Ireland.

APP. XXIII.

but fishings, mines, and quarries are valued. Cases of the Erne fishery and the Arigna quarry.

Annual revision of valuation. The premises which are the subject of revision are always inspected.

Agricultural land, re-valuation of. Judicial rent and tenants' interest must each form an element in arriving at the annual value, but there would be great difficulties in carrying this out satisfactorily.

Tenant's interest. Not much difficulty in arriving at the annual value.

Revaluation of Ireland. First the County Boroughs should be re-valued, then the urban districts, and then the rural districts.

10. The same witness, in reply to query 24,054, quotes the Erne fishery as escaping local taxes, but I find that this fishery is valued for rating purposes at £1,110. In reply to query 24,093, the same witness speaks of the Arigna quarry not being valued, but I find that the mine and quarry appears in the valuation lists at a sum of 250£.

11. The statement made in reply to query 24,448, that the annual revision is often carried out without an inspection of the premises which are the subject of revision, is quite at variance with the actual fact. In every case where a revision is made, the premises are inspected and, where feasible, the occupier is seen by the revising valuer. This officer has to make a return to me showing that he has visited each case, and he has to set out in the official note book full particulars of the building he values, and has to show on the map each survey he makes.

12. In my former evidence I touched on the question of a re-valuation of Ireland for rating purposes, and then stated, as regards land, that in any valuation the judicial rents, fixed by a Government Department, and the tenants' interest must each form an element in arriving at the fair assessable value. I have carefully read the evidence since given on this point, and see no reason for altering my opinion, but I can see great difficulties in carrying it out satisfactorily.

Firstly.—Because the Land Commission are now fixing second term rents in which they are reducing those fixed during the first term, and it would be difficult to say which of these ought to be adopted as a basis.

Secondly.—Because there is a very general feeling in the country that these judicial rents are not uniform, and do not represent the fair letting value.

Thirdly.—Because a very large number of the occupiers have purchased their holdings under the Land Acts at varying prices; and

Fourthly.—Because it would be most difficult to value the land on which judicial rents have not been fixed, so as to make it uniform with the valuation of the lands on which the rents have been fixed and those purchased by the occupiers.

13. As regards the tenant's interest, the annual value of which I suggested should be added to the rent, I do not see much difficulty in fixing it, it being only necessary to insure that it is uniform over the whole rating area, and that it brings up the valuation of the land to the same standard as that of other rateable property in that area.

14. It is questionable, however, whether it would be advisable to deal with the revaluation of the land just at present. The revaluation of the six County Boroughs is provided for in the Local Government Act, and this work is now in progress. When it is completed it might be advisable to provide for the revaluation of the 68 Urban Districts, and when the revaluation of these has been completed the question of the revaluation of the Rural Districts might be dealt with.

MINUTES OF EVIDENCE

TAKEN BEFORE 1891.

ROYAL COMMISSION ON LOCAL TAXATION,

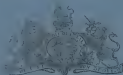
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